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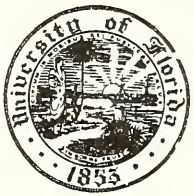

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FINANCING THE 1964 ELECTION

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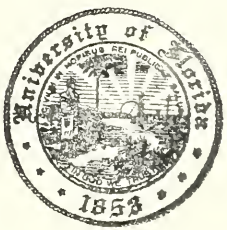
FOREWORD

Vast amounts of data regarding campaign costs and expenditures were amassed and analyzed for this systematic survey of political costs and finance operations at the national-level in 1964. This is the second report by the Citizens' Research Foundation of the financing of a presidential election; the first, *Financing the 1960 Election,* also by Herbert E. Alexander, was very well received, and we are happy to have been able to prepare this study, which updates and keeps active analyses and categories of data developed over the years by Professors James Pollock, Louise Overacker, and Alexander Heard, and by the Senate Subcommittee on Privileges and Elections (known as the Gore Committee) in 1956.

The present study is another in a new series made possible under a grant from the Ford Foundation to the Citizens' Research Foundation. Other aspects of money in politics in 1964 will be reported in other publications in this series.

The presentation and conclusions are the responsibility of the author and do not necessarily reflect the views of members of the Board of Trustees of the Citizens' Research Foundation.

WILLIAM H. VANDERBILT



ACKNOWLEDGMENTS

This study is an expanded and revised version of a chapter written for a book entitled, *The Presidential Election of 1964*, published in 1966 by the Brookings Institution of Washington, D.C. I want to thank Dr. Milton C. Cummings, Jr., editor of the book, for his valuable criticism—and that of a Brookings advisory committee—and help in preparing the chapter manuscript.

The data in this study were collected by Citizens' Research Foundation and made available to *Congressional Quarterly, Inc.*, under a sharing agreement. I wish to thank Mr. Thomas N. Schroth, Editor of *Congressional Quarterly* for his cooperation.

Special appreciation is due to many individuals for providing lists of contributors.

Additional information was obtained in personal interviews, through correspondence and by telephone. Many finance managers and others preferred to remain anonymous. For this reason, I regretfully cannot name the many persons who graciously provided information.

My assistant, Mrs. Mary Lee Coulson, was helpful in many ways, with typing, correspondence, analyses and library work. I want to thank Mrs. Eleanor Chappo, Mrs. Ann Heymann, Mrs. Caroline Jones, Mrs. Laverne Haddad, Miss Barbara Garber and Mr. William Wernick for work beyond the call of duty.

I always appreciate the cooperation and encouragement received from officers and members of the Board of Trustees of the Citizens' Research Foundation.

I dedicate this study to the memory of V. O. Key, Jr., whose unfailingly wise counsel aided my work and that of the Citizens' Research Foundation immeasurably.

None of those who were so helpful are responsible for errors of omission or commission; for those, as for interpretations, the author bears sole responsibility.

HERBERT E. ALEXANDER

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I. INTRODUCTION

The financing of the presidential campaigns of 1964 contrasted sharply with the voting patterns: the victory of Lyndon Baines Johnson was built on a narrow financial base but a broad electoral base; the Barry Goldwater candidacy had a broad financial but a narrow electoral base. The contrast was put in more vivid terms by John M. Bailey, Chairman of the Democratic National Committee (DNC) when he said the Republicans ". . . wound up with a vote deficit and a financial surplus," while the Democrats had a vote surplus and a financial deficit.[1]

Political costs continued to escalate in 1964 at both the national and other levels. To take one outstanding example: There were dramatic increases in television *and* radio costs from 1960 to 1964. Broadcast costs are easily measurable, thanks to the surveys of political broadcasting conducted by the Federal Communications Commission. Other political costs by category of expenditure are not so easily ascertained. Since 1956, there has been no Congressional investigation of campaign funds, as there had been in earlier presidential election years, to gather data and summarize findings. Accordingly, the only systematic attempt to obtain data from official fund reports was made privately,[2] and only for national-level committees which filed reports as legally required with the Clerk of the House of Representatives. These reports furnish basic data on costs of the presidential campaigns. But they fail to reflect expenses incurred at the state and local levels on behalf of the national party tickets—and they lack much more, as will be seen. Hence a statement of national costs from these sources alone gives an incomplete and possibly distorted view. With this caveat in mind, 1964 financial patterns can be described and conclusions drawn.

The 107 committees operating at the national level reported spending $34.8 million in 1964, as shown in Table 1. This is more than twice the $17.2 million spent in 1956—only eight years before—and represents a 39 percent increase from the $25 million spent in 1960.[3]

---

[1] Joseph A. Loftus, "Democrats Form Negro Vote Unit," New York *Times*, January 20, 1965.

[2] All data were compiled by the Citizens' Research Foundation. By agreement *Congressional Quarterly* published some data in "1964 Political Campaign Contributions and Expenditures," Special Report, Part 1, Weekly Report No. 3, Jan. 21, 1966. However, the present study contains additional data not included in the *Congressional Quarterly* compilation, thus accounting for differences.

[3] In this study most data comparisons with other years are derived from Alexander Heard, *The Costs of Democracy* (Chapel Hill: University of North Carolina Press, 1960); Herbert E. Alexander, *Financing the 1960 Election*

TABLE 1

SUMMARY OF POLITICAL SPENDING AT THE NATIONAL LEVEL, 1964
(in thousands of dollars)

Committees[a]	Gross Reported Disbursements[b]	Known Debt	Total Campaign Costs	Transfers to Candidates & Committees	Direct Expenditures[c]
18 Republican[d]	$17,187	$ —	$17,187	$1,163	$16,026
32 Democratic[e]	10,973	1,000	11,973	3,216	8,757
31 Labor[f]	3,665	—	3,665	2,940	725
26 Miscellaneous[g]	1,963	—	1,963	889	1,074
107 Total	$33,788	$1,000	$34,788	$8,208	$26,582

[a] The number of national-level committees increased from 70 in 1960, but the same criteria were used in identifying them.

[b] Data derived from reports filed with the Clerk of the United States House of Representatives.

[c] Details on all categories of expenditures were not obtained from the campaign fund reports. Hence direct expenditures were determined by subtracting from total campaign costs all transfers of funds out. Though the totals in this column may be subject to error, enough evidence is available to indicate that the totals represent fair approximations.

[d] For further information, see Table 5.

[e] For further information, see Table 4.

[f] For further information, see Table 13.

[g] For further information, see Table 14.

TABLE 2

RATIOS OF NATIONAL-LEVEL DIRECT SPENDING PLUS DEFICITS, 1956, 1960 AND 1964 (in percentages)

	1956[a]	1960	1964
Republican Committees:	59	49	63
Democratic Committees:	37	47	34
Labor Committees:	4	4	3
Total on behalf of Democrats:	41	51	37
	100	100	100

[a] Derived from Heard, *op. cit.*, p. 20, and Gore Committee *Report*, Exhibit 4, p. 41. 1956 deficits are listed by the Gore Committee as bills unpaid as of Nov. 30, 1956. Heard's figures for Republicans and Democrats are for full calendar year 1956, but labor figures are for Jan. 1-Nov. 30, 1956.

Major party national campaign costs in 1964, disregarding spending by labor and miscellaneous committees, were $29.2 million or 41 cents per voter for the two parties combined for the 70,642,496 votes cast

(Princeton: Citizens' Research Foundation, 1962); and *1956 General Election Campaigns*, Report to the Senate Committee on Rules and Administration, 85 Cong., 1 Sess. (1957) (hereafter cited as Gore Committee, *Report*).

in the presidential election. This compares with roughly 32 cents per vote cast in the 1960 presidential election. A study comparing costs in presidential years 1912-1928 showed that though direct expenditures of the two national committees rose from $2.9 million in 1912 to $7.2 million in 1928, the cost per presidential vote cast remained between 19 and 20 cents—at the same time that the price level rose 40 percent. Costs in 1952 were 18 cents per presidential vote cast, and in 1956, 19 cents.[4]

The fairest index reflecting fully the dollar value of presidential campaign activities at the national level in other years has been direct expenditures plus deficits. Table 1 has been constructed to combine direct spending and deficits in the "Direct Expenditures" column; accordingly, in dollar terms, the comparison is between Republican spending of $16 million and Democratic spending of $8.8 million plus labor spending of $726,000. Using this index for 1964, as shown in Table 2, Republican expenditures at the national level exceeded those of the Democrats and labor combined, reinstating an advantage the Republicans held in 1952 and 1956, but not in 1960 when Democratic-labor spending totaled more than Republican spending.[5] For 1964, the ratio of Republican advantage over the combination is 63:37, which is a higher ratio than in 1956. Given their greater gross receipts and expenditures in 1964, naturally the ratio favors the Republicans, while *significant Democratic spending by state groups and Congressional candidates utilizing national-level Democratic money is not included in this computation.* In effect, the index eliminates duplication for both parties by subtracting from total costs their expenditures which go to other committees or candidates for spending. This requires subtracting $3.2 million of Democratic transfers—an unusually large amount. Labor also transferred more than twice as much money as in 1960, while deceasing direct spending somewhat. Since the Republicans transferred only $1.2 million—about the same level as in 1960—their direct national spending for campaign activities in 1964 is proportionally greater.

Despite the seeming Republican advantage in spending, the Democrats have never in recent times conducted such a well-financed national campaign as in 1964. Spurred by the President's Club, which throughout the country had about 4,000 members (including some disenchanted Republicans) contributing at least $1,000 each, they raised more money than ever before, reporting receipts totaling over $11 million, or $4 million more than in 1960. At the same time, Demo-

[4] Heard, *op. cit.*, p. 376.

[5] Labor is combined with Democrats on the assumption that most labor money goes to support them. Heard's ratio for 1956 has been revised to include deficits. See Heard, *op. cit.*, pp. 19-20; and Alexander, *op. cit.*, pp. 9-11.

cratic spokesmen stated there was a deficit of $1 million or more at the national level, a figure that compares favorably with the larger $3.8 million deficit incurred in 1960. But this stated deficit must be seen in the context of Democratic spending patterns.

Democratic spending reported under federal law was only about 10 percent more than reported Democratic expenditures on behalf of John F. Kennedy in 1960. But in 1964 there was considerable additional money available at the state level for use at the direction of the national campaign. Using an old practice of secreting funds in certain states, where they need not be reported in Washington under common interpretations of federal law, Democratic leaders will not divulge how much more was raised or spent—though they admit to some.[6] And state reporting requirements are so varied and loose that the complete picture cannot be known.[7]

The Democratic reports filed in Washington failed to reflect fully certain Democratic funds raised through $1000-a-year-memberships in the President's Clubs of New York and California, and the national share of a series of $100-a-plate dinners addressed by President Johnson in several states. The President's Clubs of New York and California did not file reports in Washington though sizeable portions of their funds were transferred to committees which did report as required by federal law. But national shares of funds in California, Michigan, Minnesota and perhaps other states were left in the states to be expended in those states for the presidential campaign at the command of the DNC. Thus they were never reported in Washington and are not included in our totals.[8]

Democrats raised enough at the national level to be able to contribute $2.3 million to state groups for registration drives and other purposes, to give twice as much to candidates for Congress as in 1960, and to divert certain state funds to congressional campaigns and to registration drives that would benefit the party at all levels. Clearly, the Democrats were not concerned about incurring some

[6] The Republicans did not appear to follow the practice of secreting funds in the states to any significant extent. Substantial funds were contributed from certain dinner proceeds to a Mississippi-based committee called the Republican Citizens Campaign Committee, which in turn sent large amounts to other committees, but the RCCC itself reported in Washington.

[7] Moreover, one report claims that there was an extraordinary use of cash in the Democratic campaign, particularly for travel advances and reimbursements for expense accounts. If cash was used, it is not known whether items were included in campaign fund reports. Walter Pincus, "Democrats Still Owe for Jet," Washington *Evening Star*, April 14, 1965.

[8] Official Democratic reports in 1965 give some indications that state funds may have been flowing to national committees, but whether these were unspent funds from 1964 or were newly-collected funds in 1965 is unknown. See below, pp. 112-15.

debts that probably could be paid off quickly later, if they could thereby extend the predicted presidential landslide to other offices.

The financial base of Democratic support was comprised mostly of a wide geographic and occupational diversity of large contributors. About 69 percent of the dollar value of total individual contributions came in sums of $500 and over. Compared with the Republican financial base, which included unparalleled numbers of small contributors, the Democratic base was narrow indeed and can be considered broad only in relation to times past when there were only a handful of very large contributors who financed campaigns; and only in relation to the Republican's smaller number of large contributors.

The Republicans at the national level were able to maintain financial support from many of their usual sources, but they broadened their appeal dramatically through massive direct mail drives and effective television appeals for funds. Neither method had heretofore been very successful in national fund raising, but in 1964 the Republicans received an unprecendented 32 percent of total income from direct mail and almost 14 percent from TV appeals.[9] The Republicans raised $18.5 million, over $7 million more than was raised in 1960. Most of these additional funds came from an unusual outpouring of about 650,000 contributions of less than $100, raised by direct mail and TV appeals. Only 28 percent of the dollar value of Republican individual contributions came in sums of $500 and over.

Compared with 1952, the Goldwater financial support was notable. In that earlier year, the Eisenhower candidacy drew wide electoral support in the general election, yet the RNC claimed only 17,500 contributors and the national Citizens for Eisenhower-Nixon claimed about 20,000 contributors.[10]

It was remarkable indeed that so much was raised from so many in view of the widespread belief that Senator Goldwater would not win the election—a condition that usually hinders fund-raising appeals. In addition, some normally Republican sources of funds were closed to Goldwater, and some actually aided the Johnson campaign. The Republicans were the "out" party, usually considered a disadvantage, especially in seeking contributions from special interests. And the campaigns for the presidential nomination were expensive,

---

[9] Even more impressive, and a more accurate measure, is that of the total Republican contributions from individuals, 72 percent were received in sums of less than $500, compared with 30 percent for the Democrats. For the only two major Democratic committees for which information is available, the DNC and the Johnson-Humphrey Committee, a total of $1,250,000 was recorded by Democratic officials as received in sums of less than $100. This amounts to about 38 percent of total individual contributions to these two committees.

[10] Heard, *op. cit.*, p. 45.

draining off more than $10 million. The roughly $15 million spent for the Republican presidential election campaign[11] (excluding the national-level congressional costs) and the $10 million spent in seeking the Republican nomination total over $25 million in out-of-pocket expenses alone for an office that few thought Republicans could win.

To some extent, the large number of contributors to national-level Republican committees must have reflected the political polarization within the Republican Party in 1964. Goldwater supporters tended to give directly to Washington to avoid normal Republican state finance channels whereby funds would be shared with moderate candidates for other offices. Nor were moderate Republicans anxious to have portions of their funds shared with the national campaign, so individual moderate candidates and not state party committees benefitted from their contributions.

The Democrats in 1964 probably spent about half as much as the Republican presidential pre- and post-nomination costs. But given their control of the Presidency, the advantages of controlling government forums that attract media attention, their favorable public opinion poll results, and the fact that the only pre-nomination costs were spent in three states in contesting the presidential candidacy of Governor Wallace of Alabama, they did not need to spend more. Given these advantages, they could have operated a non-deficit campaign, but they chose instead to increase spending for registration and Congressional campaigns and thus ended with some debts. Yet with their national dominance in the Executive and Legislative branches, and other favorable factors, they attracted funds far in excess of the Truman, Stevenson, and Kennedy candidacies.

Along with dollar increases went increases in the number of national-level committees—from 70 in 1960 to 107 in 1964—reporting as required by federal law with the Clerk of the House of Representatives. In 1960 the Democrats had operated with only 13 national-level committees, though some of these subsumed various professional, ethnic, and other divisions; in 1964, each division was organized as a separate committee, and 32 different committees operated. The number of Republican committees increased by only one from 1960 to 1964. The number of reporting labor committees increased by 10, perhaps because of widespread labor opposition to Senator Goldwater. The number of miscellaneous committees increased from 19 to 26, probably a reflection of the growth of independent committees organized to give assistance in dollars and services to candidates for Congress.

[11] The $7 million or more in small contributions was almost half of presidential campaign costs, though about $1 million of these small contributions had been raised by the Republican Sustaining Fund before Goldwater was nominated.

Total national level campaign costs for 1960, over $34,800,000 when combined for all groups, nevertheless exclude amounts spent by or on behalf of Senatorial and Congressional candidates at state and local levels.[12] The totals do not include expenditures made in connection with nomination campaigns either in primary or convention nor those made for state, county, municipal or other offices. Expenditures made by state and local party or non-party committees on behalf of the presidential tickets are not reflected, nor are cost equivalents of the free broadcast time provided to the presidential and vice-presidential candidates.

Responsible estimates of some of these exclusions have been obtained—often graciously given on a voluntary basis—and will be reported as we proceed. If all exclusions were known, it would be possible to determine total political costs at all levels for 1964. In the absence of sufficient supporting data at other than the national level, it is impossible to make a firm estimate. Indications of increased costs —some demonstrated in this paper unless offset by decreased spending elsewhere—presumably sent 1964 totals to about $200 million at all levels, as shown in the following estimates:[13]

$200 million in 1964
$175 million in 1960
$155 million in 1956
$140 million in 1952

Spending for all election contests undoubtedly made 1964 the most expensive election year in history. But the national estimate seems realistic bearing in mind such factors as the following:

the increase in the national-level totals;

increases in political broadcasting, literature and mailing costs to be noted later;

the Republican presidential pre-nomination costs which far exceeded the Democratic ones in 1960;

the notable Goldwater grass-roots activity in certain regions;

special efforts in many states to gain control of state legislatures in order to control reapportionment;

the general price rise of about 5 percent since 1960.

Off-setting reductions in expenditures are hard to find.

[12] Transfers of national level funds to candidates for the U.S. Senate and House are included, however.

[13] Heard, *op. cit.*, pp. 7-8.

COMPARISONS AND CONCLUSIONS. During the period of Democratic ascendancy from 1932 to 1952, the Republicans consistently spent more money in presidential campaigns than did the Democrats. During the Eisenhower campaigns, the pattern of greater Republican spending continued. In 1960, the Democrats went deeply into debt to spend as much as the Republicans spent, though the G.O.P. also incurred a small deficit. In 1964, the Republicans surged ahead again while reporting a surplus; the Democrats went into debt though they raised more than ever before.

Most striking is the long-term growth in Democratic financial support from low points in the presidential elections in 1948 and 1956. From 1960 to 1964 the dollar value of contributions received in sums of $500 increased more than two-and-one-half times, while total receipts from all sources more than doubled from 1956 to 1964. Significant are the changing bases of Democratic financial support, accentuated in 1964 by the easy willingness of certain businessmen and nominal Republicans to join the President's Club or otherwise contribute to Democratic committees. Of equal importance is the decrease in emphasis on small contributors, on the Democratic National Committee Sustaining Fund and on the national Dollars for Democrats program. One wonders whether the unusual degree of secrecy regarding aspects of Democratic financing is related to the improved ability of the party in power to attract increased funds. With 1964 funds available and not needed for a winning presidential campaign, the trends to increasing national-level payments for both local registration drives and campaigns for Congress surely are meaningful in terms of the nationalization of American politics; now some state and local Democratic organizations and candidates are obligated to the national party for money and assistance, and the potential effects on party responsibility will be most interesting to observe.

Republican experience in 1964 was marked by the breakdown of the unified fund raising structure developed in recent decades. On one hand there was little change from 1960 to 1964 in the number of large contributors, though in geographic terms there were indications in 1964 of increased financial support in the South and Southwest, and decreases in parts of the North and East. On the other hand, an unparalleled number of small contributors responded to massive mail drives and TV appeals. The response was partly due to the special appeal of Senator Goldwater to enthusiasts, but also to the large investment of time, energy and money which the Republicans since 1962 have consciously devoted to building a national Sustaining Fund. Its development beyond 1964 will surely test Republican ingenuity and signal its financial health. In 1964, the Republicans raised so much money they ended with a surplus, giving the Goldwater command

its one clear and unqualified achievement—financial soundness in the 1964 campaign. In a sense, the Republicans were caught up by their own petard—they felt they could not indulge in deficit party financing while complaining of deficit governmental financing.

The comparative financial picture of the two major parties since 1960 is instructive. In that year the Democrats and Republicans at the national level each spent roughly $10 million. Neither was able to raise that much through either regular party or citizens committee channels, so both had deficits; the Democratic deficit was $3,820,000, and the Republican debt was $700,000. In 1961, the Republicans raised slightly over $2 million, and in 1962, about $3.2 million; in both years, they spent about as much as they raised.

Democratic figures are not comparable for 1961 or 1962 because of the special effort to retire the large 1960 debt. Amounts raised and spent to reduce the deficit and for annual operating expenses are so intermingled as to be indistinguishable. As old debts are paid, certain unpaid current operating expenses become new debt. By mid-1962, the 1960 Democratic debt of $3.8 million had been rolled over and retired. At the end of 1962, a new debt of $400,000 had been incurred, but in early 1963 that was erased.

In the period of over three years, from January 1, 1960 to March 1, 1963, the Democrats and the Republicans at the national level each raised roughly $15 million. From Inauguration Day, 1961, to March 1, 1963, the Democrats raised almost twice as much as the Republicans, permitting retirement of a larger debt while carrying on roughly equivalent operations. Similarly, while incumbents in 1960, the Republicans raised over $3 million more at the national level for the presidential election than the Democrats did. The sudden Democratic affluence following the 1960 election contrasts greatly with the decade of the 1950's, when the Democrats were constantly in debt, and the Republicans, controlling the Administration, consistently outraised and outspent them.

In 1963, the Republicans moved ahead, according to reports filed in Washington; the Republicans raised $3.3 million and spent $3.7 million, while the Democrats reported raising $2.2 million and spending $2.5 million. The Republican advantage resulted in significant part from the immediate and subsequent success of the RNC Sustaining Fund, without which Republican totals would not have been so substantial. However not included in Democratic national-level totals are funds raised in 1962-63 by the President's Club of New York, which did not file in Washington but did in Albany. For these two years, the N. Y. group raised about $1.1 million and transferred about $500,000 to the DNC in Washington, which included the transfers in

its reports. The remainder of the New York President's Club funds were diverted to help pay off N.Y. mayorality (1961) and gubernatorial (1962) deficits, and the DNC returned small amounts to the N.Y. Democratic State Committee. However, had the N.Y. President's Club totals been added to the national Democratic totals, the national Republican lead in income would have been erased.

Experience in recent years, particularly in 1964, has served to put in perspective some widely-held notions about aspects of political finance:

> That large amounts in small sums could not be raised by direct mail. This was proved untenable by the immediate and developing success of the RNC Sustaining Fund from 1962 on.
>
> That large amounts in small sums could not be raised by televised appeals for funds. The Goldwater campaign experienced extraordinary success with TV appeals.
>
> That money is difficult to raise for a candidate with unfavorable poll results. The Goldwater campaign experienced unsuccessful polls and successful fund raising.
>
> That the "out" party is disadvantaged in fund raising. Yet Republicans at the national level reported raising more than the Democrats reported.
>
> That the drain of funds into expensive pre-nomination contests cuts into fund-raising ability in the general election campaign. The Republicans in 1964 spent much more than did the Democrats in 1960 in the prenomination period, yet raised more than could be effectively spent in the general election in 1964 and ended with a surplus.
>
> That Democrats attract fewer large contributors and fewer big businessmen than Republicans. There was a dramatic switch in traditional party appeals in 1964.

While some of these propositions may have resulted mainly from a unique Goldwater phenomenon, or in the context of the Johnson-Goldwater confrontation, the fact that they happened at all confirms that given certain conditions, such results are possible; as more is learned about the conditions under which such exceptions occur, presumably even exceptions to a rule could prove susceptible to imitation.

This chapter began with a contrast and can end with one as well. Whereas the Republicans during the presidential election complained

of unhappy press relations and unfairness in the media, they were frank with the media about their finances. On the other hand, the Democrats, enjoying generally good press relations, were less than candid about their financial operations—and the press did not generally press hard for answers to questions about national party and campaign finances.

II. THE PRE-CONVENTION CAMPAIGNS

Since there is no federal requirement that pre-nomination expenses be disclosed, and laws in states holding presidential primaries are not uniform, data for candidates had to be sought voluntarily for this study. Though there are gaps in the information, some data for the campaigns of all major Republican candidates have been obtained from responsible participants in each campaign, and in each of the Democratic nomination campaigns against Governor Wallace of Alabama. The following sections summarize known facts about pre-convention campaign funds and make an evaluation of the impact of financial matters on events leading up to the conventions.

The Republicans

GOLDWATER. The first formal conference in what became the movement to nominate Barry Goldwater was held October 8, 1961, in Chicago. At another meeting two months later, a budget for $60,000 was approved for 1962, and according to one report, $50,000 was raised.[1] Other meetings were held during 1962 at which money was raised and for which expenses were incurred. During 1962, F. Clifton White and an assistant worked full-time sparking the nomination movement. From December 1962 until January 1964, the National Draft Goldwater Committee raised $751,000. If added to the 1961-62 amounts raised and spent, the total probably represents the largest fund ever raised publicly prior to a candidate's announcement.

From Senator Goldwater's announcement of candidacy in January until his nomination in July, an additional $2,750,000 was raised largely by the National Goldwater for President Committee, which supplanted the Draft Goldwater Committee. To this combined total of $3.5 million or more, however, must be added $2 million raised separately, primarily in California for the California primary. This calculation, derived from most reliable sources, indicates that at least

[1] Robert G. Spivack, "Men Behind Goldwater," *Look Magazine*, November 3, 1964, p. 48.

$5.5 million was raised and spent for the nomination of Senator Goldwater—and the calculation does not include amounts raised by numerous state and local groups throughout the country.[2]

From January to July, 1964, the Goldwater national campaign raised more money ($4.75 million) than did the national Republican Party committees ($3 million), which were suffering from uncertainty as to whom the presidential nominee would be. Funds for the Goldwater candidacy for nomination came from more than an estimated 300,000 contributors; donations did not come steadily and funds were scarce at times.[3] Many contributions were for only $1 to accompany a petition of supporters of the Senator's nomination. The large numbers of contributors were part of a mass army of volunteers who worked at the grass roots level and contributed services of incalculable value. Robert D. Novak calls the volunteer effort in the national Goldwater movement the greatest asset Goldwater had.[4]

Excluding California, there were 15 allied national Goldwater committees working under central direction. One of these, the Goldwater for President Committee, took over the organizational assets of the National Draft Goldwater Committee, including the latter's surplus of $85,000, following Senator Goldwater's announcement of candidacy. This committee was the major vehicle, receiving $2,117,000 and spending $2,049,000 until nomination. Also in January 1964, thirteen other separate committees were organized, each with its own constitution, by-laws, officers, and purpose. Each committee was set up to make a special appeal and each existed as an organization that could receive contributions of up to $5,000 each from individuals who wanted to contribute aggregate sums larger than the federal limitation. While some committees were not activated and never received funds, their listing is instructive as a categorization of campaign functions and appeals: Goldwater Press Committee, Goldwater Advertising Committee, Goldwater Radio Committee, Goldwater Womens Committee, Goldwater Transportation Committee, Goldwater Convention Committee, Goldwater Motion Picture Committee, Goldwater Research Committee, Goldwater Campaign Issues Committee, Goldwater TV Committee, Goldwater Rally Committee, Americans for Goldwater Committee, and Citizens for Goldwater.

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[2] See below, pp. 20-22.

[3] One writer states there were three financial crises in this period, particularly after Goldwater's defeat in the New Hampshire primary. Robert G. Spivack, *op. cit.* See also Robert D. Novak, *The Agony of the G.O.P. 1964* (New York: The Macmillan Company, 1965), p. 287.

[4] Novak, *op. cit.*, pp. 342-47. Perhaps the ultimate in enthusiastic support came from a Seattle physician, who willed 5 percent of his $250,000 estate to Senator Goldwater for his campaign or the promotion of conservative government, then died prior to the Republican Convention. New York *Times*, June 19, 1964.

Unlike most presidential pre-nomination campaigns in both major parties, the national Goldwater command did not provide large sums for state primary campaigns, but did spend substantial amounts for publicity and organizational expenses in states selecting national delegates at state conventions. As will be seen, $50,000 was sent to California to aid the primary campaign there; the national-level Goldwater committees transferred $88,210 to New Hampshire; $60,900 to Oregon; small amounts were sent to other states, Texas receiving $4,500. Most additional funds for the Goldwater effort in these and other primaries were raised locally, though some wealthy Goldwater financial supporters from out-of-state are known to have contributed to his committees in both New Hampshire and Oregon. Thus only about $200,000, or 7 percent of funds spent by the Goldwater for President Committee from January to July, 1964, went to primary contests, whereas about $470,000 or 52 percent of total funds were transferred by the Kennedy national command to state primary campaigns in 1960.[5] More than $260,000 was spent for candidate and staff travel. From June 1963 until the convention a little more than a year later, $152,000 was spent for public opinion poll surveys conducted by one opinion research organization, and paid for by committees and individuals supporting Goldwater's candidacy.

Between April 29th and July 31st, the Goldwater Convention Committee spent $102,000. In addition, the Goldwater for President Committee spent $89,000 allocated to convention costs. Thus expenses of $191,000 can be ascribed to convention costs without including national staff salaries, travel, and expenses. In addition, the California Goldwater forces spent about $35-40,000 on San Francisco billboards and broadcasts, and for other purposes timed for convention delegates. Typical convention costs were: about $35,000 for hotel bills, including $1,358 per day for the fifteenth floor of the Mark Hopkins Hotel, the nerve center of the Goldwater operation; $18,000 for telephones, including a 120-line private switchboard with circuits to operatives in every major hotel housing delegates; about $5,000 for a band, banners, signs and placards for the nomination demonstration; one of many receptions for delegates is known to have cost about $10,000.

Considerable fund raising took place at the convention. A Franklin County, Ohio group brought Goldwater a check for $500 to help pay convention expenses. A special hospitality center was opened at the candidate's hotel, and served delicacies and drinks for certain contributors. The convention gave opportunity for national finance managers to meet personally with contributors attending the convention,

[5] Alexander, *op. cit.*, p. 18.

with whom they had dealt by telephone or correspondence during the campaign. Significantly, upon nomination, Senator Goldwater's first formal appearance was a meeting in San Francisco to thank members of the finance effort. These included Dan C. Gainey, a Minnesota industrialist, and J. William Middendorf, a New York broker who had strongly influenced efforts to achieve a broad base for Goldwater financing, and who became Treasurer of the RNC following Goldwater's nomination. Among notable fund raisers had been George Humphrey, former Secretary of the Treasury, and former Postmaster General Arthur Summerfield, in the Eisenhower Administration. Los Angeles oil man Henry Salvatori led fund raising for Goldwater's California primary effort. In mid-1963, Frank Kovac resigned as executive director of the Republican National Finance Committee to join the Goldwater pre-nomination staff; following the nomination, Kovac returned to his old job for the campaign and aftermath, until June 30, 1965, when he resigned once more. During the convention, also, meetings were held with the then current Republican National Finance Committee principals and staff members, to effect a smooth transition when Goldwater operatives would take over the machinery.

The California chapter of the Goldwater campaign requires separate telling. Goldwater supporters raised $2 million for the California primary. Of this, the statewide Goldwater organization raised over $1 million, while another $1 million was raised at the local, county level. But this was not all. From January 3, when Senator Goldwater announced his candidacy, until March 10, when the New Hampshire primary was held, Californians contributed by one count at least $150,000 to the national Goldwater campaign. Following Goldwater's defeat in New Hampshire, and the decision not to contest personally the Oregon primary, the focus turned to California. National headquarters agreed not to solicit further in California, except for mass mail drives, while California supporters, led by Henry Salvatori, agreed to assume responsibility for financing the primary campaign. National headquarters transferred only about $50,000 to California, though some national operatives campaigned in the state while drawing salaries and expenses from Washington headquarters. When Goldwater and his campaign party were in the state, California committees paid expenses; national headquarters paid for Goldwater travel into and out of the state.

For the statewide effort, more than $500,000 was collected at two fund-raising events: At Los Angeles, 4,000 attended a $100-a-plate dinner, while 10,000 more paid $5 each to sit in the balconies; at San Francisco, fewer than 1,000 persons attended a dinner costing $100 each. Certain Goldwater supporters who had previously served in finance committee positions for the Republican State Committee had

lists of Republican contributors, which were used for direct solicitation. California population, wealth, and Goldwater support are concentrated in the southern part of the state, and some counties in the Los Angeles and San Diego areas raised more than they could spend locally, so funds were passed to the statewide effort. San Diego supplied about $75,000 beyond local needs, and also bought tickets to the Los Angeles dinner.

Of the one million dollar statewide fund, reliable sources estimate that about $400,000 was spent on radio and television, while perhaps $200,000 was expended on staff salaries and expenses. The remaining $400,000 was devoted to other headquarters and publicity costs. California public relations specialists of the firm of Baus and Ross were hired to participate in the Goldwater campaign.

Each of the 58 California counties had a Goldwater finance chairman and committee. A network of Goldwater Clubs cooperated. Each county or locality raised funds in its own way, some by dinners and other fund-raising events, some by mail solicitation, and some by personal solicitation. Some local committees raised sufficient funds to erect their own billboards and some few even had funds for local television programs. But, television and billboards were mainly a state organization effort, and the state organization also furnished literature, posters and bumper strips to the local organizations.

While California produced impressive amounts of money for the primary there, throughout the pre-nomination period other states responded well to personal solicitation and to mailings. In many larger cities where Goldwater campaigned, small receptions honoring the candidate were organized for large contributors. National direct mailings were made in trial runs that later proved useful in the successful mail drives for funds in the general election period. The 300,000 or so contributors in the pre-nomination period provided proved lists for mailings in the general election period. Before nomination, excellent response to national Goldwater mailings was received from Texas, Pennsylvania, New York, Ohio, Illinois and Indiana. Minnesota reportedly raised $100,000 from all sources for the pre-nomination period.

In some of these states and others, there were significant amounts raised and spent independently by numerous state and local groups, exclusive of any connection with the national campaign effort. One state group, Americans for Goldwater, was located in Phoenix, Arizona, yet drew national support and was tenuously allied with the major pre-nominaiton effort; the Americans for Goldwater continued into the general election period, spending $234,000 in the pre- and post-nomination campaigns (about half of which can be ascribed to the pre-nomination period).

Other state groups clearly fell outside the national effort, yet raised substantial sums that should be added to the $5.5 million Goldwater pre-nomination total. The New York Goldwater for President Committee spent $130,000 in a statewide effort prior to the Republican national convention. Similarly, a Connecticut group spent $26,000. The statewide Indiana Goldwater for President Committee reported spending $42,450; in addition there were Goldwater committees operating in 30 counties which raised and spent their own funds; for example, the Marion County Goldwater for President Committee indicated expenditures totaling over $9,000. The New Hampshire Federation of Goldwater Clubs reported $183. Local Oregon amounts will be detailed below. In primary and non-primary states, these groups could be found throughout the country, all spending in the effort to nominate Goldwater and all illustrating the difficulty of keeping tabs on total costs of any national campaign, pre- or post-nomination.

Also during the Goldwater pre-nomination campaign, widespread publicity had been given to a movement called "Gold for Goldwater," which was claimed to have been active in twenty-four states. Under the plan, supporters of Senator Goldwater for the Republican presidential nomination pledged campaign contributions by writing post-dated checks. The checks were to be held in escrow by a bank and when Senator Goldwater was nominated, turned over to his campaign. Operators of the plan, also called the "Goldwater for President Trust," claimed the "political dowries" would give Goldwater leverage at the convention, because delegates would be influenced by the promise of large sums available to the campaign if he were nominated. Goldwater finance managers were critical of the effort to hold funds pending his nomination, explaining that unless the available money were spent, he might never get the nomination. In any case, once the nomination was his, there was difficulty in getting such money transferred to the national campaign. It is not known how much may have been spent locally on his behalf from this effort, but national managers claim they never received as much as $50,000.

Still another fund-raising appeal existed in an organization called "Millions of Americans for Goldwater." The purpose was to deposit a sum of money with a savings bank using a conditional agreement in triplicate whereby on July 31, 1964 the bank would pay the deposit with interest, if any, to the trustee of "Millions of Americans for Goldwater" to be turned over to the Senator's campaign if nominated. If not nominated, the deposit would revert to the contributor. The success of this gimmick is unknown, but national campaign managers claim no funds were derived from it for their use.[6]

[6] Following the November election, Gold Water, an "orange flavored soft drink for conservative tastes," was available at 10 cents per can, down from 25 cents per can during the campaign.

One highly publicized fund-raising appeal of the Goldwater for President Committee was in the compilation of a handsome book containing photographs made by the candidate himself. The book, which was touted as a collector's item, was a large, beige, linen-bound book of fifty pictures Goldwater had taken. The sales price was $1500 per copy. One thousand copies of the book, called "The Faces of Arizona," were printed, and five copies were given free to the Library of Congress. While numerous copies were sold, it was learned later that some copies remained, which were distributed free to large contributors to the general election campaign.

ROCKEFELLER. Spending on behalf of Governor Nelson A. Rockefeller of New York was in evidence long before he announced he was a candidate. A privately owned five story brownstone building in New York City housed a sizeable staff, which grew as announcement time approached and the campaign progressed, spreading into other quarters in New York[7] and Washington[8] as well. It included high-salaried specialists in publicity, radio, TV, research, women's groups, special committees, finance, regional coordinators, and state directors, with some organization eventually in forty-three states. In all, there were about 100 paid workers. Public opinion polling firms were employed extensively. A California public relations firm, Spencer-Roberts and Associates, was hired to handle the primary campaign in that state. A family airplane was available to the candidate, and his home in Washington, D.C. was used to dine Members of Congress and party influentials.

Reported estimates of Rockefeller expenditures ranged from $3.5 million to $5 million and more.[9] According to close associates, admitted out-of-pocket Rockefeller expenditures were as follows:

New Hampshire	A little under	$ 100,000[a]
New England (having a bearing on N.H. primary)	Another	$ 100,000
West Virginia		$ 80,000
Oregon		$ 477,135
California	A little over	$2,000,000
New York Office (having a bearing on primary campaigns)		$ 100,000
Republican Convention		$ 70,000
	Total	$2,927,135

[a] Aggregate spending for candidate and delegate candidates was officially reported at $97,863.

[7] Where one headquarters alone contained 14,000 square feet of space.

In addition to the total in Oregon, Governor Rockefeller filed a personal report indicating $10,951 expenses. The expenditure of $100,000 in states surrounding New Hampshire took place because of New Hampshire limitations on amounts that could be spent within the state. Thus broadcasts were beamed into New Hampshire from Massachusetts,[10] and mailings to residents were made from New York and not counted in the New Hampshire costs. The costs for the New York headquarters were held down because part of the staff was Rockefeller's as Governor, part was on his personal payroll, and because partial costs were allocated to the New York State Committee which operated from the same office simultaneously. The expenditures at the Republican Convention were on behalf of the Scranton candidacy, in addition to other help given to Scranton, as noted below.

These admitted expenditures of almost $3 million were exclusive of costs of travel for the candidate and his party, personal staff, including much of the field staff throughout the country, and use of the family airplane. With little overlap, these costs were in addition and were paid for by the candidate and his family personally.[11] Of all financial resources bearing on the campaign, Rockefeller sources admit that less than $100,000 was raised outside of the family for the Governor's candidacy. For example, a pre-election report in the New Hampshire primary showed the Rockefeller family contributed $35,000 of $61,972 reported. Of this, Governor Rockefeller had contributed $18,000, while his mother, Mrs. John D. Rockefeller, Jr., and a friend, John W. Hanes of New York, contributed jointly a total of $37,000.[12] According to campaign operatives, Hanes contributed a total of $25,000 before the New Hampshire primary, but none afterward.

Thus Rockefeller fund-raising efforts were held to a minimum. In

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[8] In Washington, a large picture of the Governor at Rockefeller headquarters faced a large picture of Senator Goldwater at one of his subheadquarters directly across the street. A primary in D.C. between the two was avoided by agreement to divide delegates; some thought that if Rockefeller had contested, he would have won all D.C. delegates at little cost.

[9] Foster Hailey, "Rockefeller Drive Cost $5 Million," New York *Times,* June 17, 1964.

[10] For example, one report had Rockefeller paying $18,514 for 46 spot announcements over WBZ-TV in Boston. Similarly, Goldwater paid $11,250 for 18 five-minute programs, and $5,900 for 17 other TV appearances on Boston stations. Robert S. Boyd, "New Hampshire Campaign Costs $4 a Vote," Detroit *Free Press,* March 10, 1964.

[11] The Rockefeller campaign received indirect assistance from a book publisher who admitted putting $40,000 into a campaign to sell the Governor's book, *The Future of Federalism.* Robert C. Doty, "$40,000 to be Spent Promoting Rockefeller Paperback Reprint," New York *Times,* Oct. 1, 1963. Rockefeller distributed free considerable numbers of a campaign biography retailing at $5 a copy.

[12] New York *Times,* March 5, 1964.

both New Hampshire and California, there were box dinners at about $2 per person, with several thousand attending each function. There were private luncheons with financiers in San Francisco and other cities, but significant amounts of money were not raised at any of these functions.[13] In California, Leonard Firestone, former Standard Oil of California President T. S. Peterson, and Justin Dart of Rexall Corporation solicited funds for Rockefeller. The Rockefeller candidacy attracted few volunteers in New York, California, or elsewhere, far fewer than the Goldwater candidacy. However, in California, Rockefeller received some volunteer help from Lodge supporters and perhaps others willing to join a stop-Goldwater drive. In Oregon and California, reports indicated the Rockefeller organization paid a per-diem allowance of $10 a day for workers. Theodore H. White has reported that dedicated Goldwater volunteers in California collected petition signatures to get Rockefeller on the ballot, accepting fifty cents per signature paid by the Rockefeller organization and turning the money—$3,500—over to the Goldwater campaign.[14]

SCRANTON. The campaign of Governor William W. Scranton of Pennsylvania, which cost $827,000, consisted of campaign activity for only about one month before the Republican Convention, plus some pre-announcement maneuvering. Nine major committees, dispersed geographically from Connecticut to California, accounted for the receipts, which were received from individuals in 48 of the 50 states (only Arkansas and Mississippi were not represented). The national and state breakdown follows:[15]

National Scranton for President Committee	$431,284
Pennsylvania Scranton for President Committee	216,164
Citizens for Scranton—Harrisburg	52,009
Women for Scranton	16,300
San Francisco Convention Committee for Scranton	19,685
New York Committee for Scranton	36,793
Greenwich Connecticut Committee for Scranton	10,000
Connecticut Committee for Scranton	16,300
Scranton Club	28,500
Total:	$827,035

[13] It is interesting that Rockefeller was chosen to address a Los Angeles dinner as part of a closed-circuit national series of simultaneous dinners held in January, 1964, on behalf of the national party. Rockefeller utilized the opportunity in California to campaign for his own nomination and open his San Francisco headquarters.

[14] Theodore H. White, *The Making of the President 1964* (New York: Atheneum Publishers, 1965), p. 120.

Much of the money came from Pennsylvania, where Frank C. P. McGlinn, a Philadelphia banker and long-time Republican fund raiser, and Thomas McCabe, led the effort. The national finance chairman was Thomas S. Gates, Jr., former Defense Secretary in the Eisenhower Cabinet, who was located in New York. Southern California, Connecticut, New Jersey, Indiana, and Michigan residents contributed substantial sums,[16] as did the Scranton family. Proportionately more funds were contributed from Minnesota than any other state. The sudden Scranton candidacy gave fund raisers little time to raise sufficient funds for the short, concentrated effort, and commitments of considerable money had to be made quickly. Accordingly, money was borrowed, particularly for the network broadcasts. On the broadcasts, funds were solicited, and about $40,000 in small contributions were collected from one appeal. For several months following Goldwater's nomination, the Scranton campaign carried a deficit as high as $150,000, but as new funds became available, bills were paid, and by early 1965 no bills remained.

The Scranton expenditures follow:

TV-Radio	$245,000
Candidate travel	110,000
Convention	200,000
Printing	58,000
Polls	12,000
Fund raising	10,500
Hotels	27,000
Miscellaneous	162,425
Remaining bills	2,100
Total	$827,025

The television expenditures were incurred for two half-hour national network programs; for special broadcasts in Illinois, where special efforts to obtain delegate support were made; and for local spot announcements in other parts of the country. Included in the travel costs were bills from three airlines, amounting to $102,000. The convention costs also include about $10,000 expenditures for local television

[15] Figures are adjusted for lateral transfers of funds among committees. Not included in this total is an item of $1,519 reported as spent by the Oregon Scranton for President Committee. *Summary Report of Campaign Contributions and Expenditures: 1964 General Election* (Compiled and published by Tom McCall, Secretary of State of Oregon), Jan. 15, 1965, p. 2.

[16] One solicitation by telegram of 1900 Republicans resulted in about $50,000 in contributions. This and another solicitation by telegram cost $8,000 to make.

broadcasts in San Francisco timed to reach Republican delegates. The remainder of the convention expenditures went for elaborate communications equipment, hospitality rooms, receptions, demonstrations, even Pinkertons. Billboards in San Francisco cost $5,000 and a tabloid cost $10,000. Hotel costs for candidate and staff do not include those incurred by a staff of about fifty at the Convention which were allocated to convention expenditures and cost more than $25,000. The miscellaneous costs include some early maneuvering before Governor Scranton announced his candidacy, expenses of headquarters in Harrisburg, and some expenses of field men and travel for seeking out delegate support. A press clipping service cost more than $4,000. Campaign materials cost more than $25,000.

The Scranton campaign also benefitted from what has been termed the "splendid inheritance" of the Rockefeller organization, which became available after the California primary. Some Lodge supporters also helped the Scranton campaign, but the Rockefeller organization was particularly helpful in supplying data on delegates. Scranton utilized some seasoned Rockefeller personnel who were under contract and continued to be paid by Rockefeller headquarters, though Scranton forces assumed their expenses.

LODGE. The campaign on behalf of Henry Cabot Lodge cost over $100,000.[17] In addition, active campaigners such as Maxwell Rabb, and the now-famous team of Grindle and Goldberg, received no salaries and some paid their own expenses; one supporter, Irving Salomon, in the Far East on a business trip, paid his expenses to Saigon to try to persuade Ambassador Lodge to return home. The campaign was hobbled by the fact that Ambassador Lodge was not in the U.S. and would not return, making communications with him difficult and costly.

Major sources of funds for the Lodge campaign were some Boston and New York supporters, some of whom advanced money though expecting some back. Through fund-raising lunches and advances, money was raised in Boston, New York, and New Hampshire for the New Hampshire primary. Thirty-two thousand dollars were spent in New Hampshire, though combined deficits from that primary and what national organization existed led to debts of $17,000 going into the Oregon primary. In Oregon $54,300 were spent: four Easterners advanced $5,000 each, and in addition about $25,000 was raised in

[17] The bank account of the Lodge campaign could not be located in Massachusetts, Lodge's state, because Massachusetts law requires consent of a candidate before campaigning commences. Goldwater groups in Massachusetts had the same problem in the pre-announcement period.

Boston and New York. Only $4,000 was raised in Oregon itself. For the overall effort, starting in December, 1963, a separate fund of about $10,000 was raised and utilized by a Washington, D.C. committee headed by public relations man Robert R. Mullen. The Lodge family apparently contributed some money later. The deficit at the end of the Oregon primary was $9,600, which was reduced at the end of 1964 to about $4,000 of unsettled bills, since paid up.

Lodge expenditures were concentrated on broadcast time and production costs, literature, and the Republican Convention.[18] Facsimilies of paper ballots were used widely and effectively in New Hampshire, at a cost of $10,000 in one statewide mailing. Rental of headquarters in Oregon cost $500 for two months. One mailing sent to 350,000 Oregon Republicans cost $24,710. A film for use throughout 1964 had been produced at a cost of $4,000 from film clips from Ambassador Lodge's career and the 1960 campaign. Relatively small amounts were spent in other primaries, such as in Nebraska. Lodge supporters helped Governor Rockefeller in the California primary, mostly with volunteer labor, not with dollars. Lodge supporters helped Governor Scranton at the San Francisco Convention, and Scranton forces assumed costs of $5,000 or more for Lodge activities on behalf of their candidate.

NIXON. Along with Lodge was another unannounced, absentee candidate, former Vice President Richard M. Nixon. The only information available indicates that more than $71,800 was spent on Nixon's behalf. Official reports in New Hampshire record $15,285 spent on his behalf, while $49,300 was recorded as raised and spent in Oregon. Of the Oregon amount, $48,450 was contributed in sums of $500 or more by 19 individuals and one group named Friends of Nixon, located in California, which contributed $10,000 toward the total. J. Clifford Folger, a Washington, D.C. financier and experienced Republican fund raiser, was reported to have agreed to raise money for the Nixon campaign in Oregon,[19] and he and Mrs. Folger contributed a total of $5,000. In Oregon a telephone campaign was mounted in which 200,000 calls were made by two shifts of paid workers over a period of several weeks.[20] In the Nebraska primary, a campaign operative claimed about $7,500 was spent in a three-day write-in cam-

[18] Lodge benefitted from the promotion of an article about him in *New York/USA*, a bimonthly magazine distributed free to N.Y. state, county and municipal government employees. At a cost of less than $2,000, one individual caused 30,000 copies of the article to be distributed free on commuter trains.

[19] Rowland Evans and Robert Novak, "The Unmaking of a President," *Esquire*, November, 1964, p. 162.

[20] Mary McGrory, "Lodge Campaign Rapture Fades," Washington *Evening Star*, May 14, 1964.

paign, with emphasis on mailings of 270,000 letters and radio spot announcements, while newspaper reports indicate $20,000 was spent.[21] If more was spent on the Nixon candidacy, how much more is unknown. There were repeated reports of difficulties in raising funds for Nixon in 1964.

STASSEN. The quest of Harold Stassen for the Republican nomination for President cost over $70,000 and led the candidate to primaries in New Hampshire ($44,833 for candidate and delegate candidates), Indiana ($10,000), and California ($15,000, where a premium price was paid to a professional petition circulation service in a late and unsuccessful attempt to get on the ballot). Personal contributions and expenses, particularly for travel ($10,000),[22] cost the candidate over $30,000, including trips to New Hampshire, Illinois, Indiana, and the San Francisco Convention. The largest other contribution was for $1,000 but as one writer has put it, ". . . for Harold Stassen contributions have been almost as rare as votes."[23] Nevertheless, Stassen's candidacy may have achieved his announced purpose, which was to enlarge the debate on important issues within the Republican party.

SMITH. One fund-raising ploy, perhaps unintentional, was contained in the announcement of Senator Margaret Chase Smith that while seeking the Republican presidential nomination in 1964, she would . . . "test whether one has to have a million dollars to go into a primary," and ". . . whether you can go in without an organization." Her announcement brought unsolicited contributions ranging from 50 cents to hundreds of dollars, many from sympathetic women, but all were returned to the donors. This ploy was a variation of the frequent appeal for funds made by an impecunious candidate facing one with more campaign money. Senator Smith's poor showing in the New Hampshire primary may have been due in part to her policy of not spending funds for other than travel, which cost $250 there and $85 for air travel to Illinois, where nevertheless she gathered 206,000 votes. In Oregon, $1,171 was spent on her behalf by others. In all, one estimate suggests between $7,000 and $10,000 was spent by groups in her support. Probably less money was spent per vote in Senator Smith's primary campaigns than in any other in 1964, although the Lodge vote was even more impressive as a serious effort that soared on few

[21] Donald Janson, "Nixon Backers Jubilant Over His 31% Share of Nebraska Vote," New York *Times*, May 14, 1964.

[22] Some overlap between costs for primary travel and costs in primary states.

[23] Stephen Solarz, "Harold's Unquenchable Quest," *Greater Philadelphia Magazine*, July, 1964, p. 55. Not in Indiana in 1964, where he received more than 100,000 votes.

dollars. In some primaries, votes for Lodge, Nixon, Stassen or Smith were seemingly indications that some voters were seeking moderate alternatives to the Goldwater-Rockefeller confrontation.

FINANCIAL IMPERATIVES. Admitted expenses of campaigns for candidates seeking the Republican presidential nomination total $9.6 million, as follows:

Goldwater	$5,500,000
Rockefeller	$3,000,000
Scranton	$ 827,000
Lodge	$ 100,000
Nixon	$ 71,000
Stassen	$ 70,000
Total	$9,568,000

In addition, there were considerable amounts raised and spent at the state and local level in numerous states (excluding California where state and local Goldwater expenses are included in the $9.6 million total, and Oregon where $60,900 are included in the national total), particularly in behalf of Senator Goldwater. And the total does not include the Rockefeller payroll and personal expenses assumed by the candidate and his family. Moreover, the Nixon expenditures are thought to be incomplete, and the campaign of Margaret Chase Smith is not included. Not even mentioned are the amounts, however small, spent by individuals or organizations in floating trial balloons, opening headquarters, or in other ways promoting for the nomination such names as those of George Romney, Lucius D. Clay, Walter H. Judd, Clifford P. Case, John W. Byrnes, Billy Graham,[24] and perhaps "favorite sons." Rarely calculated, except in the Rockefeller case, are the costs borne by candidates themselves or their immediate families; Goldwater lost income when his syndicated newspaper column was suspended. And rarely totaled up are costs borne by supporters, such as the 1,000 or more Goldwater Gals at the Republican Convention who bought their own costumes at $12.75 each; or by the thousands from far-away states who chartered trains or planes to attend a Washington July 4, 1963 rally for Goldwater.

One subtle way of reducing political costs, or of promoting "non-candidacy" for the potential nominee was illustrated in 1964 by several who may or may not have been seeking that presidential nomination; arrange at state cost a tour of other states, ostensibly to recruit

[24] Another "non-candidate" was Marvin Kitman, an editor of *Monocle*, a magazine of political satire which received free publicity from the Kitman "candidacy." Kitman held a $1-a-plate fund-raising banquet at an all-night cafeteria in New York, and 200 persons attended.

new industry to locate in the state, in the process getting valuable national exposure. Another way is for supporters to hold luncheons honoring the potential candidate, perhaps in his own state, and invite important business leaders with key political connections in the country. Still another way to seek exposure is to agree to address out-of-state fund raising affairs, permitting maximum opportunity to meet people, to impress the impressionable, and at the same time, to do a good turn by helping raise funds for party managers who may show their gratification by arranging convention delegates who will be favorable; Senator Barry Goldwater was a leading speaker at party fund raising events while serving as Chairman of the Republican Senatorial Campaign Committee until mid-1963, and it has been estimated that his banquet circuit raised more than $7 million for party committees in local areas over several year's period of time.

Goldwater and Rockefeller expenditures combined clearly exceed those on behalf of Eisenhower and Taft in 1952—the latter have been estimated at about $5 million combined.[25] The Goldwater effort alone in 1964, for which figures are more complete than for Rockefeller, cost more than the combined Eisenhower-Taft contests of 1952, yet Goldwater was able to avoid costly campaigning in primaries in several major states such as Ohio, Pennsylvania, and Wisconsin. And the Goldwater and Rockefeller totals far exceed expenses reported by the Kennedy pre-nomination campaign in 1960, which totaled $912,500.[26] Of course, the $4 million spent by Goldwater and Rockefeller in California account for much of the total.

Throughout the 1964 Republican campaigns, there were frequent charges of excessive spending. Some of the allegations concerning costs were extravagant, with Governor Rockefeller bearing the brunt of charges about high levels of spending—as John Kennedy had in 1960. Throughout, the Rockefeller organization appeared ready to spend whatever seemed necessary. Since Rockefeller money came mainly from one source, the Rockefeller family, and Goldwater money came from many sources, obvious comparisons were drawn. Similarly, during the period of gearing up in 1962, the expensive Rockefeller staff, even then at work in a large headquarters, was compared with the two-man Goldwater operation in a tiny, crowded office.[27] During 1963, Goldwater was travelling by himself on commercial airplanes while Rockefeller often travelled with a retinue of eight or ten.

The large amounts spent and the allegations of excessive spending point up the financial imperatives of serious contests for the Presidential nomination, illustrated well in three major primary states in 1964.

[25] Heard, *op. cit.*, p. 335.

[26] Alexander, *op. cit.*, pp. 16-18.

[27] Harold Faber (ed.), *The Road To The White House* (New York: McGraw-Hill Book Company, 1965), p. 78.

New Hampshire. New Hampshire holds the first primary, attracting early attention. The political consequences of the primary may be less than indicated by the large sums spent. If as much money per voter were spent in all the primary states, the totals would be astonishing. The New Hampshire primary in 1964 revealed much about the role of money. By far the two largest spenders, Goldwater and Rockefeller, came in second and third in the balloting, while the winner, Henry Cabot Lodge, did no campaigning whatsoever. Lodge won an amazing write-in victory, though his supporters spent only $32,000—less than a tenth of what his major opponents spent. Most of the money spent on behalf of Rockefeller and Goldwater came from outside the state and was sent in by or through the national headquarters of each candidate; some of the spending for each was charged to the national campaign in order to stay within the New Hampshire legal limits on amounts spent. Thus campaign fund reports, which by official ruling permitted pooling of expenses of candidate and committees and delegates and alternate delegates up to a combined limit of $100,000, record that there was less spent than the New Hampshire limit, while news reports indicate substantially more spent on behalf of each candidate.

At times, the New Hampshire primary seemed more a competition between the networks covering it than between candidates. Newspaper reports headlined stories saying combined network costs were $6 per vote, while combined candidate spending has been estimated at $4 per vote. Network spending was not only for commentators and technical crews, but also for correspondents at each polling place to telephone in results as soon as available. If the networks were as willing to absorb costs to permit candidate exposure through free broadcasts, as they are willing to spend for a news beat, campaign costs might be reduced for candidates while the public was being better informed. Candidate, network, press and related spending proved a boon to the New Hampshire economy, drawing money for hotels, restaurants, and transportation facilities. This is an example of how a political practice can be utilized or exploited for financial benefit, just as the holding of a national nominating convention benefits the city in which it is held. Governor Mark O. Hatfield of Oregon, whose state also holds a primary, has called presidential primaries "political tourism," and "one of the best industrial development projects of the year."[28]

Oregon. One slogan in Oregon went: "Don't let your vote be bought by Eastern money," which applied to Lodge as well as to Rockefeller.

[28] Lawrence E. Davies, "Stumping Called Lesson of Oregon," New York *Times,* May 17, 1964.

Governor Rockefeller responded that "he cared enough" to spend time and money enough to win—and he did spend $490,000 to win in Oregon.

The Secretary of State of Oregon publishes summaries of receipts and expenditures filed in official reports required by state law, permitting a detailed case study of one primary election. In addition to illustrating interesting relationships between national-level and state groups supporting candidates for presidential nominations, the summary illustrates the usefulness of campaign fund data when drawn together in meaningful ways by state authorities; if more states made similar compilations, the work of the researcher would be greatly facilitated,[29] as is evident in Table 3.

Although the Oregon *Summary* reports Rockefeller spending about $460,000, Rockefeller associates have admitted his expenditures in Oregon were $477,000. In any case, the Oregon summary shows $447,800 sent into Oregon by the Rockefeller For President National Committee, and only one local contributor of $100. Governor Rockefeller was the only Republican candidate filing a personal expenditure report in Oregon—for almost $11,000 in personal expenses—which if added to the $477,000 estimate would bring Rockefeller expenses in Oregon to about $490,000.

Although Goldwater did not campaign actively in Oregon, about $109,000 was reported spent on his behalf. The Goldwater for President Committee spent $88,500, of which $60,900 was transferred from the national parent committee and is included in the national Goldwater totals. In addition, the Oregon Draft Goldwater Committee reported spending $10,600, while fourteen county-level and miscellaneous committees and individuals in Oregon reported spending a total of $9,965 on behalf of Goldwater, in amounts ranging from $45.55 to $2,251. Thus, excluding $60,900 sent by the national committee, about $48,000 was raised and spent by local committees in Oregon. However, some of the individual contributors listed in the *Summary* were out-of-staters otherwise active in Goldwater financing, such as members of the Milliken and Kohler families, F. Gano Chance, Albert C. Wedemeyer, and perhaps others.

Even with such large expenditures, Rockefeller won a surprising victory. Henry Cabot Lodge came in second, though the campaign on his behalf spent only $54,300, about 10 percent of what Rockefeller had spent. Barry Goldwater came in third without campaigning, and Richard M. Nixon, for whom about $49,000 was spent, ran close behind. Senator Smith and Governor Scranton, in whose behalf only

[29] *Summary Report of Campaign Contributions and Expenditures: 1960 Primary Election* (Compiled and published by Howell Appling, Jr., Secretary of State, July 15, 1964), pp. 12-17.

TABLE 3

SUMMARY OF OREGON PRIMARY, 1964

	Receipts	*Expenditures*
Goldwater for President Committee, Oregon: (Goldwater for President, National Committee $ 60,900.00)	$ 88,541.43	$ 88,541.43
Oregon Draft Goldwater Comm.	$ 10,612.08	$ 10,611.90
14 county & other comms.	$ 8,846.10	$ 9,964.64
.....	TOTAL	$109,117.97
Henry Cabot Lodge for President Comm.	$ 54,374.87	$ 54,398.32
.....		
Elect Dick Nixon President Committee: (Friends of Nixon $ 10,000.00)	$ 49,311.00	$ 49,061.21
.....		
Oregon Rockefeller for President Comm. (Rockefeller for President, National Comm. $447,884.85)	$448,121.97	$448,149.97
Rockefeller's personal report and one other comm.	$ 870.84	$ 11,822.53
.....	TOTAL	$459,972.50
Oregon Scranton for President Committee	$ 1,519.00	$ 1,519.00
.....		
Oregon Margaret C. Smith for President Comm.	$ 935.51	$ 1,171.83
	GRAND TOTAL	$675,240.83

small amounts were spent, trailed far behind without campaigning.

In all the Republican presidential primary campaigns in Oregon in 1964, a total of $675,000 was reported as spent.[30] The amounts were much greater than those in 1960, when the combined Democratic campaign costs reported by Kennedy, Humphrey, and Morse totaled

[30] Total amounts for presidential candidates and their committees do not include amounts reported by delegates to the national nominating conventions. The Oregon *Summary* identifies these as Republican or Democratic, but not by primary slate. Some candidates for delegate reported no spending, but one reported spending $611. Of at-large and congressional district candidates for delegate, 63 Republicans spent a total of $6,193, while 26 Democrats reported spending a total of $3,005.

only $83,000.[31] While there was no Democratic presidential contest in 1964, the Democratic Party of Oregon reported spending $14.98 on behalf of Lyndon B. Johnson, while the November Tuesday Club of Oregon spent $222 from its general treasury on the President's behalf in the primary period.

The Rockefeller victory in the Republican primary turned all eyes toward California.

California. The California primary was a battle royal, with both camps pitched for a last stand. At least $4 million were spent in "go-for-broke" efforts. Rockefeller and Lodge forces overtly, and perhaps other Republican opposition to Goldwater covertly, joined in the effort to stop Goldwater. Goldwater's nomination was not certain without a California victory. If Rockefeller had won the primary there he probably still would not have received the nomination, yet given control of the two biggest delegations—New York and California—plus the organizational and financial assets at his command, the New York Governor could have become a major force at San Francisco. Thus, the Republican nomination could well have gone to someone else had Rockefeller won in California, despite Goldwater's strong delegate support around the country.

The Goldwater movement appears to have attracted many more contributors than did Dwight D. Eisenhower, who also had widespread popular strength in the pre-nomination period in 1952. Coinciding with only moderate effort by moderates in 1964, the Goldwater support in money and manpower looked especially impressive. Except in California, Goldwater supporters won by seizing state delegations, not by winning primaries. This was a significant accomplishment for the Goldwater amateurs but perhaps indicates the weakness and volnerability of many state party organizations. The organizational route Goldwater supporters followed has been thought to be cheaper than the primary (media) route, but the Goldwater costs were so high that we must conclude that in modern day campaigning even the organizational route is expensive.

The impressive Goldwater financial support in California and elsewhere, though widespread in terms of historical financial support for candidates of either party, may nevertheless have been limited to a relatively small portion of the population. The moderates may have given Rockefeller and Scranton and Lodge less active financial support in part because they *are* moderate and perhaps less passionately concerned about the consequences of Democratic rule. Foreseeing an inevitable Johnson victory in November, some Republicans saw little reason to contribute money. As Lipset has said, "The Goldwater sup-

[31] Alexander, *op. cit.*, p. 23.

porters gave their effort a degree of commitment which far outweighed the activities of their less fervently involved opponents."[32] Clearly, Goldwater supporters were able to occupy the field left open by the moderates.

Throughout 1964, the Rockefeller candidacy posed a problem for Republican moderates who desired to field a candidate against Goldwater. The consensus was that Rockefeller could not win the nomination, but many were willing to let him spend his money in opposition to Goldwater. Substantial sums of money would have had to be raised for any other moderate. Once Rockefeller announced, there was reason not to divide the field but let him receive all moderate support Later, coalitions were made; overt Lodge and Stassen support went to Rockefeller in the California primary, following which Rockefeller and Lodge support went behind Scranton when he announced.

The Democrats

PRESIDENTIAL CAMPAIGNS. According to newspaper accounts, Governor George Wallace of Alabama reported receiving $321,344 in contributions while running for the Democratic presidential nomination.[33] The money was spent where he sought to get on the ballot before his decision to withdraw, for campaign expenses in active primaries in Wisconsin, Indiana, and Maryland, and on behalf of the unpledged electoral vote campaign in Alabama.

According to Governor Wallace, all funds were furnished by voluntary contributions from individuals; there were numerous isolated reports of funds being raised in certain cities on his behalf and sent to his headquarters. Newspaper accounts indicate that mailings were made to voters in some primary states emanating from various identified right-wing organizations[34] including The Coordinating Committee for Fundamental American Freedoms. This organization was otherwise reported as having received $10,000 in Alabama state funds, through the instrumentality of the Alabama State Sovereignty Commissions.[35] Officials in the Wallace campaign frequently claimed that Wallace received many small contributions for his campaign, with many coming from non-Southern states. The sparse official reports that are available, however, indicate that only small sums of local money were raised for the Wallace campaigns in Wisconsin, Indiana,

[32] Seymour Martin Lipset, "Beyond the Backlash," *Encounter Magazine,* November 1964, p. 21.

[33] Washington *Evening Star,* August 4, 1964.

[34] Ben A. Franklin, "Hate Groups Back Wallace Bid," New York *Times,* April 25, 1964.

[35] Marquis W. Childs, "Wallace of Alabama Exploits White Fears in Northern States," St. Louis *Post-Dispatch,* May 17, 1964; Adrian I. Lee, "Gov. Wallace has Plenty of Cash for Campaign," Philadelphia *Bulletin,* May 15, 1964.

and Maryland. Instead, large amounts were reported to have been sent into Wisconsin, Indiana, and Maryland from national Wallace headquarters in Alabama: of $20,000 reported in Indiana, $19,989 came from the Alabama source; of $90,000 reported in Maryland, $88,575 came from the Alabama source.

Apart from the questions about use of funds of the Alabama State Sovereignty Commission, there were reports that Governor Wallace travelled in airplanes owned by the Alabama State Highway Department. Additionally, one report states that Wallace ". . . sent an army of state employees to work in other state primaries, riding in cars rented on credit cards issued by the Alabama State Highway Department." Officials in the Wallace campaign denied the allegations, but reports persisted.[36]

Governor Wallace was opposed by Governor John Reynolds of Wisconsin, who acted as a stand-in for President Johnson. The only Wallace for President organization filing with the Secretary of State reported $2,642 receipts and $1,520 expenditures. Observers estimate that the Wallace media campaign cost between $25-30,000, and that most of the funds came from outside the state, with perhaps $5,000 raised locally.

Governor Reynolds' campaign against Wallace received no monetary help from the national or state Democratic party, but some working help. The campaign cost $16,000, derived wholly from a Citizens for Johnson Committee which was created early for the purpose of financing the primary campaign against Wallace. Funds were raised at a dinner sponsored by the Committee.

The Wisconsin primary cost both Wallace and his opponent less than the Indiana and Maryland primaries, since greater effort went into the latter two contests after Wallace made his remarkable showing in Wisconsin. Governor Matthew Welsh of Indiana campaigned against Wallace largely on funds supplied by the Democratic State Committee of Indiana, amounting to $100,000. The campaign on behalf of Senator Daniel B. Brewster of Maryland cost about $70,000. Brewster's campaign committee reported in a filed statement receipts and expenditures of $42,186. Of the receipts, labor unions, national and local, contributed more than $5,000, Democratic Clubs in Maryland contributed $365, the Brewster family contributed $6,000, and $5,000 was received in one or more contributions from the Democratic Senatorial or Congressional Campaign committees. A Stop-Wallace Committee, active largely in Baltimore, received $2,273 and spent $2,114; more than $500 was received from various churches and minister alliances which took up collections for the purpose, while $200

[36] William Bradford Huie, "Wallace's Presidential Stakes," New York *Herald Tribune*, Oct. 3, 1965.

was contributed by a Democratic Club. In addition, however, Senator Brewster personally borrowed $25,000 for the campaign. This was still owed early in 1965, and was repaid following a major fund-raising dinner to erase deficits from the campaigns of Senator Brewster and Joseph Tydings, the Democratic senatorial candidate in the general election.

Senator Brewster's campaign was the beneficiary of help, especially on Election Day, from both Democratic camps in the U.S. Senatorial primary, which was held simultaneously. Senator Brewster received surreptitious help of staff members and polling services from the DNC and had the services of a public relations man from Indiana who had helped Governor Welsh in his campaign against Governor Wallace. Many volunteers worked for Brewster, including numerous college students in the Baltimore area. The emphasis in the campaign was on canvassing Baltimore districts with large Negro populations, in the hope of stimulating a large turnout.

One independent source of information relating to the Democratic presidential pre-nomination period concerns political broadcasting. A Federal Communications Commission *Survey* indicates that radio and television station charges for program time and spot announcements relating to Democratic candidacy in the 1964 pre-nomination period for President and Vice President were $354,768.[37] Reported combined radio and TV broadcast costs in the Wisconsin primary were $20,335, but cannot be broken down as between Governor Wallace and Governor Reynolds; in Indiana, they were $76,037; in Maryland, $82,961; in District of Columbia (bearing upon the Maryland primary), $23,536; in Alabama, $13,327. There were scattered broadcast charges for these contests in other states, mostly Southern states, but charges unexplainably were high in California, amounting to $59,016. The charges which can be attributed without question to Governor Wallace and his opponents in Wisconsin, Indiana, Maryland, D.C., as well as Alabama, amount to $217,000 of the total of $407,344 admitted costs of the Wallace, Reynolds, Welsh, and Brewster campaigns; thus apart from what was unexplainably spent by Wallace or others in other states, broadcast costs were 53 percent of admitted costs.

VICE PRESIDENTIAL CAMPAIGNS. It would be naive to think no money was spent promoting the Democratic vice-presidential possi-

[37] *Survey of Political Broadcasting, Primary and General Election Campaigns of 1964* (Federal Communications Commission, July, 1965), Tables 9A and 22A, pp. unnumbered. However, the FCC found Table 22A to be in error, and the above amount is the correct total as now given by FCC. The state totals that follow in text are not in the *Survey* but were graciously provided by the FCC.

bilities. Though the decision was President Johnson's, funds were spent in numerous ways to promote certain images of hopefuls. All was done quietly, even furtively, yet scores of thousands of dollars were spent on public opinion polls, staff, telephone calls for support, and on adequate communications facilities and hotel space at Atlantic City. Almost $25,000 was spent on behalf of one potential candidate who was not Hubert Humphrey. President Johnson's elimination of Robert F. Kennedy from consideration for the vice-presidential nomination may have forestalled costly organizational efforts on his behalf. But one comprehensive and reliable report indicates that the President through aides told Senator Humphrey well before the convention to start gaining "exposure" and to drum up public support.[38] Friends of Humphrey had been active on his behalf, providing volunteered public relations and other help, but now the tempo increased. One type of exposure consisted of speaking engagements for Senator Humphrey before groups of businessmen and bankers in Chicago, New York, and Washington, with the gatherings hosted and paid for by Humphrey's friends. Additional help was volunteered by representatives of various labor unions and sympathetic organizations.

Theodore H. White tells of one incident pertinent to this chronicle, when he records that James H. Rowe, Jr., confidant of President Johnson, was sent to question Hubert Humphrey to be sure he was not vulnerable to attack on some aspect of his personal record. One question Rowe asked Humphrey was: "What were Humphrey's debts and assets—did any contributors' liens exist on his future politics? Answer: None." Apparently the President had learned something from the revelations of the Nixon Fund in 1952.[39]

III. FINANCING THE CONVENTIONS

The Republican National Nominating Convention of 1964 cost $664,750, a bit more than the $642,800 cost in 1960. Of the total, $650,000 was guaranteed and paid by the host city, San Francisco, which provided the money as follows: $400,000 from local city hotel tax funds, and $250,000 from Republican Convention Program proceeds (derived from an estimated $300,000 gross revenue from corporate advertising in the Program)[1] and other means. The Convention

[38] "The Choice of Humphrey, Step by Step," New York *Times*, Aug. 27, 1964.
[39] White, *op. cit.*, p. 274.

[1] Republican charges for corporate advertising in their Convention Program were $5,000 per page, as had been the going rate in both national convention programs in recent years. This compares with the $15,000 rate adopted by the Democrats, as noted below.

costs above the guarantee were also paid by San Francisco from proceeds of ticket sales to special affairs and other donations, and adequate money remained to pay for the printing and distribution of the Convention Proceedings later.

Activities at the Republican Convention included a $500-a-ticket Gala the evening before the formalities began. This fund-raising function was arranged to bolster national party finances at a time when pre-convention campaigns were terminating and contributions to party committees were sparse. Competition for funds for candidates, and factional bitterness caused smaller attendance at the Gala than anticipated, although the beneficiaries, the Republican House and Senate Campaign committees, received $600,000 from the affair, 60 percent for the House and 40 percent for the Senate. The funds, which the Capitol Hill committees then dispersed to candidates for Congress, became relevant to a controversy following the election, when the Republican surplus caused comment that Republican candidates for Congress had not received an ample share of national party funds.[2]

Spokesmen for the Democrats assert their National Nominating Convention of 1964 cost about $2 million. This would indicate that the Democratic Convention cost more than three times as much as the Republican Convention, or 267 percent more than the Democratic Convention of 1960. To justify their claim for such inordinately high costs, the Democrats note that the 1964 Convention was larger than ever before, in numbers of delegates, alternates, and spectators; that it was better staffed and better run; that it included costly films and construction and special programs for Young Citizens, Senior Citizens, and other such groups; and that it required costly protection and security for President Johnson when he attended because Atlantic City had only a small police force compared with Chicago (where President Eisenhower had attended the Republican Convention in 1960). In short, the Democrats claim that after years of inadequate convention financing, they were determined to go "first class" in 1964. Republicans contend they have always gone "first class" with their lesser spending.

If Democratic convention costs were high, so were income and expenditures of the 1964 Democratic Convention Program Book Committee, which published a volume prepared as a special memorial edition dedicated to the memory of President John F. Kennedy and containing articles written by some of the nation's leading writers. The cost of corporate advertising in the Program was $15,000 per page, three times higher than was charged in 1960, and on a circulation basis higher than comparable advertising costs in national maga-

[2] See below, pp. 108-110.

zines.[3] The Democratic National Convention Program Book was not published by a host city committee, as has been the practice at both Democratic and Republican conventions, nor were Program revenues credited to the funds offered by the host city. Rather, Atlantic City and New Jersey groups pledged and paid $625,000 in cash from other sources, plus fringe benefits relating to the Convention Hall, to finance the convention.

Program advertising consisted of 96 pages, including front and back covers. Accordingly, at least $1,500,000 must have been received from this source. About 300,000 copies of the Program were published, and while some were distributed free to delegates and others, some were sold at the $10 retail rate. The Program Committee placed full page advertisements in several nationally-distributed magazines advertising the sale of copies, and some corporations, in addition to purchased advertising, are known to have bought cloth-bound copies for distribution, some to community libraries and other such depositories. Total receipts from advertising and copies sold, publication and other costs, and net profits are not known.

Democrats confirm that $50,000 of the profits was contributed to the Public Affairs Institute and transferred by it to the National Council for Civic Responsibility. Rumors have circulated that some Program funds were channelled into Negro registration drives,[4] which Democratic spokesmen neither confirm nor deny. Democrats state only that profits went to pay for Convention costs above the $625,000 otherwise provided. If the Democratic Convention really did cost as much as $2 million, then as much as $1.4 million of the Program proceeds could have been applied to Convention costs.

Clearly, the Program raised substantial sums from corporate advertising sources. The legal status of the uses of corporate advertising revenues is ambiguous,[5] and until more is known about the ways the Democratic proceeds were spent in 1964, there will be continuing uncertainty.

If Democratic Convention costs were as high as is claimed, substantial amounts were spent to wine and dine and otherwise entertain members of the President's Club. Previous Democratic and Republican conventions had VIP lounges for large contributors, often serving drinks, but the 1964 Democratic Convention lavished unusual attention on contributors of $1,000 or more.[6] Apart from the usual special

[3] See below, pp. 99-104.

[4] Walter Pincus, "Democrats Still Owe for Jet," Washington *Evening Star*, April 14, 1965.

[5] See below, pp. 99-104.

[6] One President's Club official claims wining and dining is a small price to pay for courting contributors; if this were the only price, few would criticize such events.

gold badges conferring rights to special seating at the convention hall, the Democrats arranged free special events each day for these supporters. On Sunday night, at a hotel ballroom, music, cocktails and hors d'oeuvres; on Monday, brunch at a choice of two hotels, and an exhibition golf match in the afternoon; on Tuesday, an old-fashioned clambake to which many more than President's Club members were invited; on Wednesday, a day at the races, and cocktails and dancing in honor of the next Vice President of the U. S.; on Thursday, a birthday party for the President followed by a buffet supper-breakfast. This author can testify to the bountiful food and drink at several of the affairs, and much food was left over at some events. It is not known whether the Convention Committee paid for these events, whether political committees did, whether goods and services were volunteered or paid for privately by party supporters (no pun intended); it is known some effort was made to borrow furniture for the three convention hall lounges, and that some decorations for some functions were donated. If it is assumed the Convention paid for these events, then in effect profits from corporate advertising in the program book were used to entertain the many large contributors who attended, thus giving them status and softening them up for future appeals for funds for the Democratic Party.

IV. THE GENERAL ELECTION CAMPAIGNS

The finances of various national-level committees affiliated with the major parties are outlined in Tables 4 and 5. Both campaigns were highly centralized, with most auxiliary committees well-integrated with party committees. In both campaigns, the direction of campaign activity and financial operations centered in party headquarters.

The Democratic campaign was operated with unusual efficiency. White House direction of the campaign was apparent, and numerous citizens' committees were directed by close friends and associates of President Johnson, including James H. Rowe, Jr., Leonard Marks, and others. Large aggregate amounts of Democratic transfers of funds from committee to committee at the national level and to the state and local levels were noted; hundreds of the transfers were for small amounts to local committees, largely for registration purposes, and it required a great deal of coordination for the major Democratic national-level committees to distribute amounts such as: Beaver County (Pa.) Voter Registration Committee, $250; Lucas County (Ohio) Voter Registration Committee, $300; Oakland County (Mich.) Voter Registration Committee, $500; and Montana Club, $400. Considerable

"seed" money was made available to numerous citizens committees at the national and state levels to get the committees operating.

In 1960, only two national level Democratic committees spent more than $500,000; in 1964, five committees did. In 1964, only a few national level committees, such as the National Independent Committee for Johnson-Humphrey, an elite businessman's committee, were relatively autonomous.

TABLE 4

RECEIPTS AND EXPENDITURES—DEMOCRATIC NATIONAL CAMPAIGN COMMITTEES
January 1 - December 31, 1964 (In thousands of dollars)

Committee	Gross Reported Receipts	Adjusted Receipts[a]	Gross Reported Disbursements	Total Transfers Out	Direct Expenditures[b]
National	$ 2,989	$2,961	$ 2,992	$ 424	$2,568
National Congressional	67	3	93	—	93
Congressional Campaign	310	45	306	306	—
Senatorial Campaign	463	51	484	329	155
Democrats for Sound Gov't	39	5	38	38	—
Subtotal	$ 3,868	$3,065	$ 3,913	$1,097	$2,816
President's Club for Johnson	$ 2,733	$2,613	$ 2,730	$1,304	$1,426
Johnson-Humphrey	1,623	1,508	1,623	312	1,311
Johnson for President	710	691	702	—	702
Humphrey for Vice-President	723	696	678	189	489
Subtotal	$ 5,789	$5,508	$ 5,733	$1,805	$3,928
23 Miscellaneous[c]	$ 1,523	$1,245	$ 1,327	$ 314	$1,016
Total[d]	$11,180	$9,818	$10,973	$3,216	$7,760

[a] Adjusted for lateral transfers from national-level Democratic, labor and miscellaneous committee groupings included in the tables.

[b] Direct expenditures were determined by subtracting all transfers of funds from gross disbursements.

[c] Artists & Entertainers for Johnson-Humphrey; All Americans Council; Americans Abroad for Johnson; Builders for Johnson-Humphrey; Business & Professional Men's Division of Citizens for Johnson-Humphrey; Citizens for Johnson-Humphrey; Committee for Responsible Leadership; District Attorneys for Johnson-Humphrey; Educators for Johnson-Humphrey; Friends of LBJ; Independent Citizens for Johnson-Humphrey; Industrial Relations Committee for Johnson-Humphrey; Lawyers for Johnson-Humphrey National Committee; National Committee of Small Businessmen for Johnson-Humphrey; National Independent Committee for Johnson-Humphrey; National Committee of Republicans & Independents for Johnson-Humphrey; Pharmacists for Johnson-Humphrey; Rural Americans for Johnson; Republicans for Johnson; Scientists & Engineers for Johnson-Humphrey National Committee; Senior Citizens for Johnson-Humphrey; Veterans for Johnson-Humphrey; Women for Johnson-Humphrey.

[d] Minor discrepancies between items and totals are due to rounding.

TABLE 5

RECEIPTS AND EXPENDITURES—REPUBLICAN NATIONAL CAMPAIGN COMMITTEES

January 1 - December 31, 1964 (In thousands of dollars)

Committee	Gross Reported Receipts	Adjusted Receipts[a]	Gross Reported Disbursements	Total Transfers Out	Direct Expenditures[b]
National	$ 2,949	$ 2,949	$ 2,640	—	$ 2,640
National Finance Operations	1,947	1,947	1,928	$ 113	1,814
National Congressional	1,686	1,269	1,633	544	1,089
Congressional Boosters	190	190	141	141	—
Senatorial Campaign	465	430	480	258	223
Subtotal	$ 7,237	$ 6,785	$ 6,822	$1,056	$ 5,766
Citizens for Goldwater-Miller	$ 2,957	$ 2,957	$ 2,648	$ 20	$ 2,627
Republican Campaign	2,057	2,052	2,048	6	2,042
Republican Television	2,790	2,690	2,697	8	2,690
National TV	2,516	2,516	2,009	5	2,004
5 Miscellaneous Campaign[c]	784	761	759	24	737
Subtotal	$11,104	$10,976	$10,161	$ 63	$10,100
4 Miscellaneous Non-Party[d]	$ 171	$ 171	$ 204	$ 44	$ 160
Total[e]	$18,512	$17,932	$17,187	$1,163	$16,026

[a] Adjusted for lateral transfers from national-level Republican, labor and miscellaneous committee groupings included in the tables.

[b] Direct expenditures were determined by subtracting all transfers of funds from gross disbursements.

[c] Brothers for Goldwater; Citizens' Campaign Committee for Goldwater-Miller; National Federation of Republican Women; Solid South Speaks for Goldwater Committee; Women Voters for Goldwater-Miller.

[d] Committee for the Election of Republican Candidates; Committee to Support Moderate Republicans; Committee for Forward-Looking Republicans; Republican Citizens Committee of the United States.

[e] Minor discrepancies between items and totals are due to rounding.

Both Goldwater and Miller were party men, strongly valuing party control. Both had been national party committee leaders. Upon nomination, they announced their campaign would be operated centrally through the RNC. Changes in staff were made rapidly, encompassing the finance division as well. One major exception to central control was the National TV for Goldwater-Miller Committee, located in Los Angeles, which operated with considerable independence from other party and Washington-based allied committees. Of course, the Republican non-party committees operated by moderates were not part of the presidential campaign activity, but focused on assisting moderate

Republicans, mostly candidates for Congress. In 1960, Republicans operated five national level committees spending more than $500,000; in 1964, the number increased to seven.

The national Republican campaign operation reached a peak of more than 600 employees. The vice-presidential campaign staff was more than twice the 1960 size. Republicans occupied space on each of seven floors of the building housing permanently the RNC, but other space in Washington was also rented. Democratic campaign offices were quartered in at least six different buildings, apart from the White House and office of Senator Humphrey. At a peak in the campaign, the Republican payroll reached $37,500 a week, compared with $23,500 for the Democrats. The Democrats boasted in particular their organizing the Capitol Hill Volunteers for Johnson-Humphrey, consisting of over 300 Senate and House employees who took part in the national campaign effort in many capacities, from helping to prepare speech and other materials, to helping with mailings and other secretarial work.

Political spending can be conceived as a function of availability of funds or willingness to go into debt, and the financial realities of 1964 illustrate the relationships between financing and campaigning.

The Democrats

The Democratic presidential campaign budget was kept at a minimum because of the excellent outlook for an overwhelming Johnson victory. Despite relative Democratic affluence, efforts were made during 1963 and 1964 to keep expenditures down. Staff could be kept at a minimum because some campaigners were on government salaries at the White House; numerous reports suggest that in various departments of government, at least one person, presumably exempt from Hatch Act prohibitions, was assigned to act as campaign liaison to provide information for campaign speeches and materials.[1] As noted, the Democrats sought to make a profit on the national convention program, by preparing it themselves rather than permitting the host city to sell the advertising and turn the profit over to the Convention Committee as part of the host city share, as was usually done. In this way, the profits that accrued beyond those going to the Convention effort were used for so-called "educational" but unaccounted for purposes in the campaign. In opinion polling operations, probably fewer polls were undertaken for the Democratic candidates than in 1960. Copies of state or other constituency polls, done for Democratic candidates for other offices often were sent to the White House for evaluation, as indication of how well President Johnson was doing.

[1] White, *op. cit.*, p. 348.

The polls were then surveyed by an expert election analyst and reports made to the President. Restraints on the campaign budget were possible partly because the polls were consistently so favorable.

Even with favorable signs, campaign budgets are rarely followed strictly, and in mid-October, President Johnson reportedly ordered an increase of about $1 million in media spending.[2] At no point before or during the campaign did the Democrats seem to be hurting for funds, but there were reports of dwindling treasuries and of scurrying for funds to meet broadcast commitments,[3] which were higher than anticipated. Funds in the states available for use at the direction of the Democratic National Committee were helpful in carrying presidential campaign costs in those states, but by agreement were not supposed to be used in other states. Democratic officials indicate that in some states these funds were not utilized until the last few weeks, when they were diverted to Senatorial, Congressional and other campaigns, because they were not needed for the presidential campaign. No doubt because of these diversions of funds, the presidential campaign ended with a deficit of about $1 million.

No systematic accounting of Democratic spending is available, as it was for the Republicans. From newspaper reports, interviews, and official campaign fund reports, the advertising agency spending (mostly for broadcasts) was $4 million or more, although only $3 million were reported in official filings as paid to Doyle Dane Bernbach, Inc.; payroll at the DNC alone, not including other campaign committees, was at least $1.1 million; a firm called Campaign Aids received at least $435,000 for campaign materials. Considerable newspaper advertising was paid for directly by national-level committees, including some in foreign language and nationality-oriented papers.[4]

The Republicans

The Republican National Committee (RNC) entered 1964 with a deficit of $400,000. On July 31st, when the Goldwater forces took over, there was a deficit of $217,000, which could not be blamed on predecessors because there had been little income just before the choice of a candidate, while expenditures were at a high level. Yet the general election campaign ended with a surplus.

In mid-September, a report never confirmed and later termed inaccurate, was made that the Republican campaign might incur a deficit

[2] Theodore White reports that President Johnson personally ordered more billboards and other campaign materials when he saw some that pleased him. White, *op. cit.*, p. 350.

[3] Drew Pearson, Washington *Post and Times Herald*, Nov. 2, 1964.

[4] Substantial items of 1964 expenditures paid for in 1965 are set forth below, pp. 112-15.

as large as two million dollars.[5] In October, however, money started coming in at a faster rate and accordingly, spending for media was increased. For example, the Republicans had budgeted for spot TV alone over $400,000 per week, which was increased to $500,000 in each of the last weeks before election. These spots had to be paid for weeks in advance so the money could be distributed to local stations before broadcast. Advance payments in September and early October were in part responsible for the Republican cry of lack of money and fear of deficit. Goldwater managers admit spending over $500,000 more for media than was budgeted.

At the same time, the polls continued to be discouraging, and one report indicates that Goldwater knew he was beaten ten days before the election, and took steps to trim costs.[6] Plans for a telethon on Election Eve to cost $400,000 were under way and later scrapped, though some thought it was because Goldwater was not well-suited to this format. Other reports claimed certain network programs to feature the candidate were eliminated in favor of regional broadcasts in areas where it was thought Goldwater had more chance of winning votes. Republicans used a one hour regional broadcast on ninety stations in fourteen southern states the Saturday before election. This cost about $72,000, somewhat less in amount than a network broadcast which might have reached the whole country. However, it was recognized that broadcasts in the North would not help Goldwater, whereas those pinpointed in the South, in portions of the Mid-West and South-West, might.

Except for media costs, Republican managers adhered as closely as possible to budget estimates, which were tightly drawn.[7] The ethnic campaign division and others were cut back when their spending exceeded budget estimates. One of Ralph Cordiner's most effective measures as finance chairman (he served for the duration of the campaign only) was in supporting an effective comptroller, V. Devon Mogan; campaign decisions for spending were effectively vetoed in some cases by the finance managers.

Thus, there is contrary evidence of both cutbacks and increases, and given the exigencies of a presidential campaign, both could be true. A Republican survey indicates that $2.8 million was received by na-

[5] Rowland Evans and Robert Novak, "Goldwater Spenders," New York *Herald Tribune*, Sept. 20, 1964.

[6] Including cancelling one more poll that undoubtedly would have brought more bad news. James McCartney, "Barry Given 'Results' Oct. 23, Then Tried to Curb Expenses," Washington *Post and Times Herald*, Nov. 12, 1964.

[7] For example, part of the Nixon campaign deficit consisted of unpaid air travel bills charged for press seats on campaign flights. In 1964, the Republicans sought deposits before permitting reporters to accompany candidates. The Republican air/rail charter expense in Table 6 may not take into account about $200,000 in income from the media for this purpose.

TABLE 6

Republican Presidential Campaign: Cost by Expense Classification, 1964[a]

Salaries	$1,586,672
Taxes	53,365
Rent	179,291
Insurance & Bonds	8,621
Advertising—Print	529,868
Outdoor Productions	102,525
Building Maintenance	74,753
Contributions To Committees	43,518
Employee Retirement	77,723
Executive Expenses	4,776
Furniture & Equipment—Purchase	60,200
Furniture & Equipment—Rental & Maintenance	76,596
Meetings & Conferences	62,657
Miscellaneous Expenses	73,437
Motion Pictures	125,889
National Committee Fellowship	8,708
News Services	37,446
Typographic Services	90,120
Postage & Express	955,827
Printing & Reproduction	555,252
Professional Services	357,210
Promotional & Campaign Supplies	380,757
TV & Radio—Production	1,066,484
TV & Radio—Time	4,542,151
Clerical Services	75,893
Surveys & Polls	165,416
Subscriptions & Publications	7,837
Supplies	333,250
Telephone	389,113
Telegraph	86,489
Travel Expenses	909,632
Air/Rail Charter	807,997
Mailing Lists	274,216
Mailing Services	141,816
Data Processing	155,349
Automobile Maintenance	1,505
Security	13,965
TOTAL	$14,416,324

[a] As of November 30, 1964, this table includes expenditures of the Republican National Committee, Republican National Finance Operations Committee, Republican Campaign Committee, Citizens for Goldwater-Miller, Citizens Campaign Committee for Goldwater-Miller, T.V. for Goldwater-Miller, National T.V. for Goldwater-Miller Committee, and Women Voters for Goldwater-Miller.

tional-level committees in the last six days before the election. In the final three days, income totaled $1.1 million. The combination of late money and some expenditure reductions, plus inability to spend so much so late even if desired, left a surplus at the end of the campaign.[8]

Following the election, a full comptroller's audit of Republican committee books was made by a major accounting firm, giving a statement of accounts as of November 30, 1964. Following news of a surplus, Republican moderates had called for an audit, and Republicans claim this was the first completely verified national audit of most campaign funds for a single election, not merely a balance sheet audit. Republican expenditures are shown by expense category in Table 6, which presents the financial anatomy of a national campaign in detail rarely available to students of political finance. This breakdown includes expenses for the whole year for all committees, but with the exception of the Republican National Committee and the Republican National Finance Operations Committee, it consists almost exclusively of presidential campaign expenses.

Campaign urgencies bring political expenditures for a variety of purposes, and several outstanding categories of expenses in 1964 are highlighted in the pages that follow.

Campaign Publicity

The eyes and ears of the American people were exposed to many millions of dollars of advertising and publicity on behalf of the major party candidate for President and Vice President. Like commercial advertisers, the two presidential campaigns utilized advertising agencies for some but not all of their publicity budgets; the major advertising agency functions relate to political broadcasting, but agencies also prepare other types of materials. In 1964, the Democrats employed Doyle Dane Bernbach, Inc., and the Republicans hired Erwin Wasey, Ruthrauff & Ryan, Inc., a subsidiary of the Interpublic Group of Companies, Inc.

The Republican committees at the national level spent over $7.3 million on items identifiable as publicity, as shown in Table 6. These included the following: TV and radio time and production, $5.6 million; printing and reproduction, $555,000; printed advertising, $530,000; promotion and campaign supplies, $380,000; motion pictures, $125,000; and outdoor productions, $100,000.

The Democrats utilized a firm called Campaign Aids in the production and distribution of campaign materials, including those exhibited at the national convention. During the campaign, materials distribution—totaling millions of bumper strips, 7 million brochures, and 4

[8] See below, pp. 108-09.

million posters—was based on census data featuring location and population concentration. One high Democratic official stated that $2 million was spent on Johnson-Humphrey literature; the DNC share cost about $750,000, while spending by other national, state, and local committees for this purpose comprised the remainder.

The President's Club published a special newspaper supplement dealing with the Office of the President of the United States and President Johnson. At a cost estimated at about $350,000, the 24-page magazine section was inserted in 14 major newspapers having a combined circulation of approximately 10 million and an estimated readership of about 25 million. Surprisingly, the supplement was published on Sunday, June 14th, months before the Democratic Convention, and was designed, according to its sponsors, "not as a political document," but as institutional advertising on the presidency to pave the way for the President's candidacy later. During the campaign, the Republicans made an expenditure of over $300,000 for an 8-page advertisement in the October issue of the *Reader's Digest*, which outlined Goldwater's positions on issues such as the United Nations, Viet Nam, civil rights, and Social Security. The Democratic supplement and the Republican advertising section are probably firsts for national candidates.

There were two marked characteristics of newspaper advertising in 1964. For the first time in memory in some sections of the country, partisans paid for advertising (and for broadcasts) showing how to split a ticket, in order to permit defections to Johnson while also voting for other Republican candidates. And the content of much Democratic advertising seemed to be testimony of Republicans telling why they were voting for President Johnson.

Political Broadcasting[9]

The experience with the Great Debates in 1960, so widely heralded, was made possible by a temporary suspension of Section 315 of the Federal Communications Act for the presidential campaigns. The President's Commission on Campaign Costs recommended suspension of this so-called "equal time" provision again in 1964.[10] Legislation to accomplish this passed both houses of Congress in different forms, but a conference report was not adopted and the suspension was never

[9] For an extended discussion of political broadcasting, see Herbert E. Alexander, "Broadcasting and Politics," in M. Kent Jennings and L. Harmon Zeigler, *The Electoral Process* (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1966), pp. 81-104.

[10] *Financing Presidential Campaigns* (Washington, D.C.: Government Printing Office, 1962), pp. 24-27. The American Political Science Association appointed a Commission on Presidential Campaign Debates, which made its report on the subject in 1964. See Report of the Commission on Presidential Campaign Debates (Washington, D.C.: The American Political Science Association, 1964).

effected. After some vacillation, it appeared to be high Democratic policy to avoid suspension, probably for two reasons; to avoid last-minute pressure on President Johnson to debate Senator Goldwater; and to deny Republicans sustaining time and force them (and Democrats as well) to pay for whatever broadcast time was desired. The broadcasting industry has consistently linked suspension of Section 315 for the presidential campaigns with the notion of debates between presidential candidates. If President Johnson did not want to debate Senator Goldwater, neither did he appear willing to risk increased pressures to debate if suspension was voted. As it was, Senator Goldwater challenged the President to debate, offered to pay costs for buying broadcast time, and also offered to film debates in advance in order to obviate the possibility of any spontaneous national security leaks that might occur in the heat of a debate. Without suspension of the "equal time" law, there was much less free time provided to the presidential and vice-presidential candidates in 1964 than in 1960. Accordingly most broadcast time had to be bought, and it was much more costly than four years before.[11]

A Federal Communications Commission (FCC) survey of political broadcasting[12] revealed the trend to increased broadcast costs continued in 1964, as shown in Table 7.

Total network and station charges for political broadcasting at all levels in the general election period in 1964 were $24.6[13] million, representing an increase of 73 percent from the $14.2 million spent in 1960, and an increase of 150 percent from the $9.8 million spent in 1956. Thus costs were about four times more than in 1952. The increases since 1952 in charges for television broadcasts, as compared with increases in radio costs, are large indeed.

Table 7 does not include broadcast costs in prenomination or primary election periods. Data on these costs are available only for 1964 and 1962. In 1964, costs in the prenomination period were $10 million, thus bringing combined primary and general election broadcast totals to $34.6 million for candidates and committees at all levels; this compares with a total of $20.1 million in 1962,[14] a non-presidential election year. To put 1964 broadcast costs in perspective: $34.6 million constitutes 18 percent of all political spending, probably putting broadcasting at the top of the list as the largest single political cost.

[11] From 1959-1964, basic rates increased 31 percent in network television, 41 percent in spot television, 9 percent in network radio, and 21 percent in spot radio. "The Decade of Incentive: Marketing Review and Forecast, '64-'65" based on studies prepared by Marplan, a market research component of the Interpublic Group of Companies, Inc. January, 1965, p. 31.

[12] FCC, *Survey 1964, op. cit.*, Table 1.

[13] Including minor party broadcast costs not shown in Table 7.

[14] FCC, *Survey 1964*, Table 1; *1962*, Table 1.

The primary and general election broadcast costs by facility for 1964 and 1962 are set forth in Table 8.

TABLE 7

DISTRIBUTION OF GENERAL ELECTION COSTS FOR BROADCASTS BY PARTY AND FACILITY; 1952-1956-1960-1962-1964

(in millions)

	1952[a]	1956[b]	1960[c]	1962[c]	1964[c]
Republicans	$3.5	$5.4	$7.5	$6.0	$13.0
Democrats	2.6	4.1	6.2	5.7	11.0
Television	3.0	6.6	10.0	7.7	17.5
Radio	3.1	3.2	4.1	4.5	7.1

[a] Heard, *The Costs of Democracy*, p. 22.
[b] Gore Committee, *Report*, p. 11.
[c] FCC, *Survey 1960, 1962, and 1964.*

TABLE 8

TOTAL NETWORK & STATION CHARGES FOR POLITICAL BROADCASTS BY ELECTION & FACILITY; 1964, 1962[a]

(in millions)

	1964	1962
Primary Election	$10.0	$ 8.0
General Election	24.6	12.1
Television	23.8	12.5
Radio	10.8	7.6

[a] FCC, *Surveys 1964*, Table 1; *1962*, Table 1.

For 1964, combining networks and stations, radio and TV, primary and general elections, for candidates at all levels, the Democrats outspent the Republicans, mainly because they spent more in primary elections, mostly in the South. The totals are: Democrats, $17.8 million; Republicans, $15.9 million; minor party candidates, $853,000. But the Republicans spent more in the general election period: $13 million to the Democrats' $11 million.

THE CAMPAIGNS FOR PRESIDENT. The portion of 1964 spending that can be attributed to presidential and vice-presidential candidates in primary and general election periods is shown in Table 9.

Of the $34.6 million spent on radio and television, combining networks and stations in primary and general electon periods, $12.8 million, or about 37 percent, can be isolated as having been spent on the presidential and vice-presidential contests. This amounted to about 25 percent of total radio dollars and 42 percent of total television dollars spent for political broadcasts in the nation. According to the

TABLE 9

NETWORK & STATION CHARGES FOR PRESIDENTIAL & VICE-PRESIDENTIAL CANDIDATES BY FACILITY; PRIMARY AND GENERAL ELECTIONS, 1964[a]

(in millions)

	TV	Radio	TOTAL
Networks	$ 4.1	$ .1	$ 4.2
Stations	6.0	2.6	8.6
TOTAL	$10.1	$2.7	$12.8

[a] FCC, *Survey 1964*, Tables 1, 9A, 22A.

FCC, about 25 percent of radio stations and 35 percent of TV stations reported selling time or spot announcements for President or Vice-President in the primaries, compared with 80 percent of radio stations, and 90 percent of television stations, in the general election period.[15]

In 1964, the Republicans outspent the Democrats in the presidential campaigns as follows: Republicans, $7.5 million; Democrats, 5.1 million; other, $125,000. More than $1.5 million was spent for broadcasts related to nomination campaigns for President. The Republicans, of course, fought costly primary campaigns, and both Goldwater and Scranton appeared on network television in the prenomination period.[16] Republicans seeking the presidential nomination spent more than $1.2 million for broadcasts. The broadcast costs of the campaigns of Governor Wallace and his opponents in the Democratic pre-nomination period were high, as shown previously,[17] although no network broadcasts were made.

Comparable totals are not available for 1960 but for the general election period are available for 1956. A comparison shows an increase of 136 percent from 1956 to 1964 for the general election period only, for presidential and vice-presidential broadcast costs, as shown in Table 10. Again, the rate of increase of television as compared with radio costs is greater.

TABLE 10

NETWORK & STATION CHARGES FOR PRESIDENTIAL & VICE-PRESIDENTIAL CANDIDATES BY FACILITY, GENERAL ELECTIONS, 1956 & 1964

(in millions)

	1956[a]	1964[b]
Radio	$1.0	$ 2.1
Television	3.6	8.9
TOTAL	$4.6	$11.0

[a] Gore Committee, *Report*, p. 9.
[b] FCC, *Survey 1964*, Tables 1, 9A, 22A

[15] FCC, *Survey, 1964*, p. v.
[16] FCC, *Survey 1964*, Tables 1, 9A, 22A.
[17] See above, p. 38.

Total TV and radio network charges in the general election campaigns, for broadcasts devoted exclusively to the presidential, vice-presidential, and national party tickets, were $3,926,000, representing an increase of almost 31 percent from the $3,006,000 reported in 1960.[18] Total network charges in 1964 were $2,000,000 for the Republicans and $1,925,000 for the Democrats, with charges overwhelmingly for TV broadcasts. Station charges to Republicans in the general election were $4.4 million—representing in part a very much larger number of presidential spot announcements throughout the country than in the Nixon campaign—while station charges for the Democratic presidential campaign were $2.6 million. Of these amounts, as seen in Table 6, political broadcast costs of the national Republican campaign were: for TV and radio time, $4,540,000; for TV and radio production costs, $1,060,000. Time costs in this tabulation include network broadcasts, regional network broadcast costs, and nationally-placed local spot broadcast costs.[19] Station charges not paid for in the $4.5 million national time expenditures must have been paid by state and local committees.

SPOT ANNOUNCEMENTS. In 1964, for campaigns at all levels, 73 percent of TV stations' charges were for spot announcements, while for radio 93 percent were for spots. If network time is averaged in, however, the percentages decrease because most network charges are for program time. Nevertheless, 60 percent of dollars spent in the general election period went for spot announcements of one minute or less, while 40 percent went for program time. Obviously, program time is not highly valued by political campaigners.

The gross numbers of announcements are staggering; 1964 and 1960 are compared for presidential candidates on radio and television stations in the following:

No. of Announcements[a]	1964	1960
Television	29,300	9,000
Radio	63,000	29,000

[a] FCC *Surveys 1964*, Tables 18A, 31A; *1960*, Tables 42, 43-44.

Some interesting patterns are evident in 1964 for which numbers of announcements for presidential candidates per state are available, for TV stations only in the general election period. The distribution of

[18] FCC, *Survey 1960*, Table 2.

[19] One report states that $2.5 million worth of spot announcements were bought on stations in 131 cities, with emphasis on the South, Midwest and Southwest. Walter Pincus, "Parties Unsure Whether Use of Ad Agencies Paid Off," Washington *Evening Star*, Nov. 17, 1964.

announcements gives some indication of campaign strategy,[20] and for that reason, numbers of announcements per party in selected states are revealing, as follows:

State	*No. of Announcements* Republican	Democratic
Alabama	106	—
Alaska	—	12
California	2,300	288
Florida	797	209
Illinois	1,626	200
Kansas	217	3
Maryland	496	80
Michigan	68	300
New York	115	266
Ohio	1,200	160
Pennsylvania	1,364	500
Tennessee	1,042	201
Texas	3,315	923
District of Columbia	47	77
Total for all States and D.C.	24,792	4,508

In only Alaska, Michigan, New York, and the District of Columbia did the Democrats telecast more spot announcements than the Republicans. The Goldwater strategy to emphasize states such as California, Illinois, Ohio, and Texas is clear. In some states it is probable that statewide and local committees paid for some of the announcements, and that not all were placed by national media direction. Of course, Goldwater announcements were dominant in the few states Goldwater carried.

As to the effectiveness of political broadcasts by presidential candidates, one measurement late in October indicated that 46 percent of a national cross-section had seen TV announcements for Goldwater, and 39 percent had seen them for President Johnson. But opinion was well crystallized and not much change resulted from having seen them. Interestingly, 29 percent of those who saw a 30-minute Goldwater program felt they knew a great deal about what he stood for, compared with 17 percent who had seen TV spots for Goldwater; however, the longer programs may have attracted those most familiar with Goldwater. One might readily agree with the public opinion analyst taking the measurement that "Perhaps the most remarkable effect of the TV commercials during the 1964 campaign was obtained by Re-

[20] Theodore White states the Democratic advertising agency concentrated TV spots in 17 states, but cites higher numbers than the FCC *Survey* reveals; White's figures probably include radio spots as well. See White, *op. cit.*, p. 339n.

publican appeals for funds to finance their candidate."[21] One rating service reported the largest audience for either Senator Goldwater or President Johnson was about 7 million homes, compared with 27 million homes viewing portions of the first Kennedy-Nixon Debate in 1960.

STATES. Station charges for political broadcasts for all candidates on television and radio, primary and general elections combined, ranged from $3.3 million in California to $33,000 in Delaware. More than $1 million was spent in each of the following states: California, Texas, Florida, New York, Illinois, Indiana, Pennsylvania, Ohio, and Louisiana, in that order; these nine states account for more than one-half of the money spent on broadcasting in all states. California led in charges for television in primaries and in general elections, but Florida led in radio charges, as a result of extremely high Democratic broadcasting charges in the primary period.[22]

SUSTAINING TIME. Networks were able to bypass partially Section 315 in 1964; by stressing interview and documentary programs, they could deny time to minority party candidates. The amount of sustaining time reported by the networks for the general election period was substantially less than in 1960; the TV networks made available in 1964 only 4 hours 28 minutes sustaining time, compared with 39:22 in 1960; radio networks provided 21:14, compared with 43:14 in 1960.[23] Comparisons of network sustaining time in 1964, 1960 and 1956, are given in Table 11.

TABLE 11

NETWORKS: SUSTAINING TIME PROVIDED TO CANDIDATES & THEIR SUPPORTERS

General Election 1956, 1960, 1964[a]

(In Hours & Minutes)

Three TV Networks	Total All Parties
1964	4.28
1960	39.22
1956	29:38
Four Radio Networks	**Total All Parties**
1964	21.14
1960	43:14
1956	32:23

[a] FCC, *Survey 1964*, Table 4.

[21] Thomas W. Benham, "Polling for a Presidential Candidate: Some Observations on the 1964 Campaign," *Public Opinion Quarterly*, 29 (1965), p. 196. The success of the broadcasts for funds is discussed below, pp. 70-71.

[22] FCC, *Survey 1964*, Tables 2, 10, 11, 12, 23, 24, 25.

[23] FCC,*Survey 1960*, Table 10.

Total sustaining time on the television networks in 1964 was only slightly more than the time devoted to the Great Debates of 1960 alone. But in 1964, the candidates themselves got very little time, only 1:18 hours on the television networks, and 7:38 hours on radio. These appearances were mostly on programs exempt from the equal time provision, so the TV networks gave no time whatsoever to minority party candidates, and the radio networks gave only 30 minutes. Comparative television network time devoted to appearances of candidates for President and Vice-President themselves in 1964 is shown in Table 12.

TABLE 12

1964 Television Network Appearances of Candidates for President & Vice-President[a]

(In Hours & Minutes)

Three TV Networks	Primary	General Election
Time paid for by Candidates or Supporters	1.22	16.12
Time on Commercially Sponsored Programs	8.01	6:43
Sustaining Time	4:59	1:18

[a] FCC, *Survey 1964*, Table 5.

While the networks did carry considerably more time paid for by commercial sponsors on interview and similar programs than in 1960, the lack of suspension pointed up again that the "equal time" provision works least well in presidential elections in which there are inevitably more than two candidates—in 1964 there were seven minor party candidates. While at other levels Section 315 provides a clear protection to candidates, at the presidential level, it works a hardship on candidates, parties, and the broadcasting industry alike.

The pattern of usage in 1964 reveals that at the presidential-network level, Section 315 disadvantages the major party candidates without benefitting the minor party candidates. Under Section 315, the networks can present major party candidates in exempt programs without presenting minor party candidates. But Section 315 restrains the networks from presenting as much free time in debates, back-to-back or straight speech presentations as they may wish to give. Accordingly, "waiver, amendment, or repeal of Section 315 as to Presidential general elections appears 'statistically' valid."[24]

National Educational Television offered the presidential candidates

[24] Hyman H. Goldin, "Time Free and For Sale: The Implications of the 1964 FCC Survey of Political Broadcasting," unpublished paper delivered at National Conference on Broadcasting and Election Campaigns, Washington, D.C., October 13, 1965.

time for separate low-keyed conversations between each nominee and two eminent political scientists: the offer was renewed even after Congress failed to pass the suspension of Section 315, which would have meant that NET would have been required to present such programs with all candidates, not just those of the major parties. Neither President Johnson nor Senator Goldwater would agree to the programs, and alternative offers for programs with the vice-presidential candidates were not followed up. Although promotion of ETV is nominally national policy, neither candidate was willing to use educational television as a vehicle for bringing high-level political discussion to the electorate.

OTHER ACTIVITIES. Both the FCC[25] and the federal courts ruled against pleas by Republican managers for broadcast time equal to that provided free by the networks to President Johnson in a report to the American people on the Gulf of Tonkin incident off the coast of Viet Nam. Following his defeat, Senator Goldwater several times alleged that failure to receive "equal time" put the Republicans at a severe disadvantage. The Republicans, however, capitalized on the denial of free time, by making paid television appeals for funds to permit buying of more time to "answer" the President's report.

The increasing controversy about so-called right-wing broadcasts, estimated to total more than 6,000 radio and television broadcasts weekly and carried by more than 1,300 stations, brought about the formation of a National Council for Civic Responsibility. The Council consisted of more than 100 civic, educational, religious and business leaders who joined forces to encounter the right-wing broadcasts by presenting opposing views. Efforts to raise funds in order to present "dignified, factual, documentary broadcasts to expose the daily distortions of the radical reactionary groups"[26] were abandoned after five months for lack of financial support. Spokesmen for the DNC admit contributing $50,000 of Convention Program proceeds to the project.[27] Moreover, early in 1965 the DNC filed official complaints with the FCC against ten radio stations claimed to have presented so-called right-wing programs without presenting both sides of controversial

[25] The FCC did grant a temporary government license to the Republican campaign headquarters permitting operation of two-way radio equipment linking campaign centers across the country with three chartered airplanes.

[26] New York *Times*, October 18, 1964. And labor unions were urged to seek equal time to counter anti-labor broadcasts by extremists. The problem is how to guarantee reasonable discussion of issues while ensuring fair usage to extremists.

[27] Drew Pearson claims an additional $10,000 in cash was contributed. Washington *Post and Times Herald*, March 3, 1965. Later filings indicate $10,000 was paid to a public relations firm which represented the National Council.

political issues, as required by law and FCC rules.[28] All complaints were dismissed, either because the DNC failed to respond to offers to sell time or because the station in fact provided time for opposing views.[29]

In 1964, the DNC began a voiced news service for radio and television stations permitting auditory press releases available upon phone call at the DNC office in Washington and at numbers in Chicago and Los Angeles.[30] The service uses automatic answering equipment, and was well received by broadcast stations. This service was continued by the DNC to help re-elect freshman Democratic Congressmen in 1966. A Congressman can call the DNC, read over the telephone a statement or press release, and the Committee then will contact radio stations in his district to re-record the broadcast over the telephone.

In March, 1965, the RNC launched a 5-minute weekly radio show, featuring the voices of Republican leaders, tapes of which were being sent at year's end free to about 160 broadcasters. At one time it was reported that Mr. Goldwater was seeking financial support for regularly scheduled Republican television programs designed to provide "an intelligent opposition," but this never materialized. The National TV for Goldwater-Miller Committee used at least $60,000 of its surplus following the election to produce a half-hour pilot film for television in which an appeal for funds would be made on each broadcast to permit a series of documentaries. However, no official national party committee would agree to sponsor the show.[31]

In late 1965 the Republican Coordinating Committee proposed that Section 315 be amended to require equal time for candidates of the two major parties only, with minor parties accorded time in proportion to the size of their vote in the last election. There was no specification if a minor party had not previously been on the ballot. In addition, Republicans have been complaining about the ". . . danger of one-sided presentations of the political scene by radio and television arising from the natural advantage possessed by the party which occupies the White House or the State House."[32] Accordingly, the Committee

[28] New York *Times*, Feb., 1965. During the campaign, the DNC monitored "right-wing broadcasts," seeking to rebut them, and obtained 1,700 free broadcasts as a result.

[29] *Broadcasting*, July 19, 1965, p. 48.

[30] The Democratic state committees in Florida, Indiana and Rhode Island set up relays to stations in their states. The DNC service carried excerpts from the proceedings of the National Convention, from every campaign speech by President Johnson and major speech by Senator Humphrey, and campaign related news. From 1200 to 1600 broadcast stations were serviced in these ways.

[31] David S. Broder, "G.O.P. Film Lacks G.O.P. Sponsor," New York *Times*, July 2, 1965. See *also* below, pp. 108-09.

[32] "Toward Fair Elections in America," Republican Coordinating Committee, press release, December 19, 1965.

recommended that broadcasters be encouraged to make available a limited amount of free time for a report on the work of each session of Congress (and state Legislature) at its opening and closing by representatives of the majority and minority party; brief statements by legislative leaders discussing legislative proposals under consideration; and comments by minority leaders on executive addresses to legislative bodies and other major pronouncements that are broadcasted.

In his State of the Union address on January 12, 1966, President Johnson noted need for new legislation regarding political finance, but made no specific mention of political broadcasting.

Private Public Opinion Polls

A reliable estimate puts 1964 political polling costs at all political levels at $5 million,[33] an increase from 1960. While public opinion polling was relied upon heavily then by Senator Kennedy, there are indications that Senator Goldwater's campaigners were also poll enthusiasts, spending more in 1964 than was spent on behalf of Richard Nixon in 1960. The Republican nomination scramble among Goldwater, Rockefeller, Scranton, and others put polling in the pre-nomination period at a higher cost than in Democratic pre-nomination contests in 1960. Various committees and supporters of Goldwater spent $152,000 for surveys by one polling organization alone from June 1963 to July 1964.

In the general election period the RNC spent $165,400 for surveys and polls, of which $136,000 was spent at one opinion polling organization alone. Surveys for the Republican national campaign included ". . . a panel study with four waves of interviewing among a national cross-section of voters, some trial-heat surveys in selected states, a measurement of the Goldwater campaign trip through Southern cities, a study of the Goldwater whistle-stop campaign in the Midwest, a measurement of the television campaign commercials of both the Democrats and the Republicans, and a number of special analyses."[34] Before leaving office, Republican chairman Dean Burch recommended a $100,000 public opinion survey on national issues, the Republican image, and a profile of the motivations of persons working actively in Republican campaigns. Despite a commanding poll lead during 1964, President Johnson commissioned considerable polling, though state, local and congressional candidate polls were sent to the White House for evaluation; many contained questions on the presidential outcome.

[33] Earl Mazo, author of a forthcoming book, entitled *Polling for Political Power*, to be published by Doubleday & Co.

[34] Thomas W. Benham, "Polling for a Presidential Candidate: Some Observations on the 1964 Campaign," *Public Opinion Quarterly*, XXIV, No. 2 (1965), 185.

In the Democratic pre-convention period, the efforts by Governor Wallace of Alabama brought poll expenditures for the candidates in Indiana and Maryland. The Wallace candidacy also pointed up the so-called civil rights "backlash" issue, and considerable polling was undertaken to help understand the implications. In addition, polls were made on behalf of Democratic vice-presidential hopefuls, including Hubert Humphrey, Robert Kennedy, and Eugene McCarthy. And labor unions and other non-party groups, such as the American Medical Political Action Committee, used polls with greater frequency.

The Right Wing

Democrats and others[35] were not reluctant to link right-wing support to the Goldwater candidacy nor to point to examples of ultra-conservatives capturing control of Republican Party organizations. Even before his nomination, Senator Goldwater was moved to declare it a myth that the right-wing's "big money" was coming his way.[36] Clearly, some well-known financial supporters of organizations usually classified as right-wing were active supporters of Senator Goldwater in both the pre- and post-nomination periods. As an index, a list of individuals identified as important sources of right-wing funds[37] was matched against the file of contributors of $500 and over.[38] Of 43 living individuals on the list, 27 had contributed in 1964, as follows:

Republican	Miscellaneous	Gave to Both
23	17	13
$114,893	$24,928	

There were no Democratic contributions. With two exceptions totaling $2,015, all miscellaneous contributions were to Americans for Constitutional Action. But many of the Republican contributions were to national-level Republican Party committees early in 1964, before Goldwater was nominated, and several gave to Republican Congressional committees, including the Republican Congressional Boosters Club. Thus the results were inconclusive, though substantial funds did reach the Goldwater campaign from this group.

Some believe the great outpouring of contributions to the Goldwater campaigns, while impressive in the context of two-party support in the past, emanated in large part from a relatively small base of

[35] See Special Report #17 of Group Research, Inc., "Barry Goldwater and the Organized Right Wing," dated Oct. 12, 1964.

[36] Joseph A. Loftus, "Goldwater Sees a Myth in Right-Wing 'Big Money'," New York *Times*, Oct. 28, 1963.

[37] Special Report #16 of Group Research, Inc., "The Finances of the Right Wing," dated September 1, 1964.

[38] For explanation of the file, see below, pp. 84-86.

ultra-conservative enthusiasts.[39] Clearly, some elements of the far-right worked for the candidate of the Republican Party rather than for a third-party effort, as in some recent years, and their output had an important bearing on the costs of the major party campaigns.

For example, political pamphleteering reached new heights with the sales of large numbers of "hate books," so called because of their tendency toward a one-sided and unbalanced presentation. Various claims about the size of orders and sales were made for four books in particular,[40] and a careful survey indicates a minimum of 17 million copies were ordered and distributed.[41] While prices ranged as high as $1 each, some were sold for 35 cents each and many were given away. These mass-produced books were published at about 20 cents each by companies established especially for the purpose, with printing and binding contracted to trade publishers. Thus a minimum of $3.4 million[42] was spent on these items alone,[43] while some political committees raised campaign funds by selling the books at higher prices.[44]

In any case, the Goldwater campaign did not seem to draw off money from right-wing organizations, though some rightist organizations experienced periodic reductions in finances in 1963-64. Careful studies indicate at least $14 million[45] is spent annually on right-wing activities, and estimates range to as much as $30 million a year. Since much of this income is from membership dues, costs of literature, and corporate support, the basic income of such organizations tends to be

[39] One survey indicated that the "pure Goldwater vote lies between 2,500,000 and 3,000,000," compared with the 24,000,000 to 24,500,000 Republican vote he received. Louis H. Bean and Roscoe Drummond, "How Many Votes Does Goldwater Own?", *Look Magazine*, March 23, 1965, p. 75. Louis Harris, after analyzing the preferences on specific issues of samples of voters who were interviewed during the 1964 campaign, estimated the number of "hard-core, down-the-line Goldwater supporters" at 6,000,000. See The Harris Survey, Washington *Post and Times Herald*, January 11, 1965.

[40] J. Evetts Haley, *A Texan Looks at Lyndon* (Canyon, Texas: Palo Duro Press, 1964); Phyllis Schlafly and Chester Ward, *The Gravediggers* (Alton, Illinois: Pere Marquette Press, 1964); Phyllis Schlafly, *A Choice Not an Echo* (Alton, Illinois: Pere Marquette Press, 1964); John A. Stormer, *None Dare Call It Treason* (Florissant, Missouri: Liberty Bell Press, 1964).

[41] "Fair Comment," Fair Campaign Practices Committee, Inc., February 1965, p. 2.

[42] In addition the Citizens for Goldwater-Miller paid at least $5,000 to the Palo Duro Press, publisher of "A Texan Looks at Lyndon."

[43] In a non-scurillous, non-right-wing category was the latest book written by Barry Goldwater, entitled "Where I Stand," which was sold in large numbers and published in the trade by McGraw-Hill Book Co. Scattered items indicating expenditures of $74,000 for this book were found in various Republican fund reports at the national level.

[44] Concerning right-wing broadcasting, see above, pp. 58-59.

[45] Arnold Forster and Benjamin R. Epstein, *Danger on the Right* (New York: Random House, 1964), pp. 272-80.

stable and appeared not to be greatly affected by the Goldwater candidacy. The experience in 1964 has led to the starting of new ultra-conservative bids for recruits and money, partly within the two-party framework and focused upon selected campaigns for Congress in 1966.[46]

In late 1965, the Republican Coordinating Committee adopted a statement condemning "radical or extremist" organizations, though not by name, but including any seeking to use the Republican Party "for its own ends." Several months earlier, Barry Goldwater had invited John Birch Society members to resign if they wanted to work for the Republican Party. But right-wing splinter groups continued to draw off support that otherwise might be channeled through the Party.[47]

Labor and Miscellaneous Committees[48]

Labor groups and other miscellaneous non-party committees contribute to campaign chests, or wage parallel campaigns on behalf of selected candidates and causes. The Democratic financial picture, in particular, is not complete without data on labor financing. But miscellaneous committees also increased in number from 1960, and more than doubled reported disbursements. Tables 13 and 14 list receipts and expenditures of national level labor and other groups. There were about 240 individual contributors in sums of $500 or more to the miscellaneous committees, and only about 20 to the labor committees.[49]

In 1964, 31 national-level labor committees made gross disbursements of $3.7 million, compared with 21 committees disbursing $2.3 million in 1960. Labor transfers out, consisting mostly of allocations to other committees and candidates, were $2.9 million, or more than twice as much as in 1960; allocations to candidates for Congress were about twice their 1960 level. In 1964 and 1960, numerous labor committees spent more than they raised, indicating accruals from collections in non-election years.

Twenty-six miscellaneous committees reported disbursements totaling $1,963,000 in 1964, compared with 19 committees disbursing

[46] Donald Janson, "Rightists Buoyed by the Election; Open New Drives," New York *Times*, Nov. 23, 1964.

[47] See below, pp. 120-21.

[48] The Citizens' Research Foundation will publish a separate study by Kevin L. McKeough entitled "Financing the 1964 Congressional Elections: The Role of National-Level Party and Non-Party Committees," which will contain data on labor and miscellaneous committee, as well as party committee, allocations of money to Senatorial and Congressional candidates, as compiled for 1960 in Alexander, *op. cit.*, pp. 44-49.

[49] These contributors are included in the master file of large contributors noted below, pp. 84-86.

TABLE 13

Receipts and Expenditures — Labor National Committees

(Jan. 1 - Dec. 31, 1964)

Committee	Gross Receipts	Adjusted Receipts[a]	Gross Disbursements	Total Transfers Out	Direct Expenditures[b]
Amal. Meat Cutters & Butcher Workman	$ 72,012	$ 72,012	$ 93,063	$ 92,048	$ 1,015
Amer. Fed. of Musicians	8,854	8,854	22,366	20,450	1,916
Apparel Industry for Johnson-Humphrey	105,415	55,415	104,915	4,915	100,000
Amal. Political Education Comm.	62,697	62,697	78,501	64,554	13,947
Active Ballot Club (Retail Clerks Int'l Assoc.)	99,638	99,638	80,911	48,733	32,178
Building & Construction Trades Dept., AFL-CIO	27,191	27,191	33,280	33,280	—
Committee for Good Government	69,854	69,854	122,150	122,150	—
Committee on Political Education (COPE)	777,032	777,032	988,810	940,920	47,890
Communications Workers of America	94,277	94,277	122,828	102,828	20,000
DRIVE	224,123	223,956	270,315	129,447	140,868
Int'l Bro. Electrical Workers	34,741	1,000	58,741	55,663	3,078
Int'l Ladies Garment Workers Union	436,004	436,004	426,110	253,466	172,644
Int'l Union of Elec., Radio & Machine Workers	46,267	46,267	47,076	47,076	—
Machinist Non-Part. League, Gen'l & Educ. Fund	198,908	173,959	259,906	146,067	113,839
Oil, Chem. & Atomic Workers Int'l Union	40,286	39,286	45,294	45,294	—
Officers & Reps. (of Unions) Non-Part. Pol. Comm.	33,880	33,880	25,648	25,450	198
Railroad Labor's Pol. League & BLF&E Division	37,005	37,005	23,365	23,265	100
Seafarer's Int'l Union	143,398	143,398	121,336	120,297	1,039
Sheet Metal Workers Int'l Assoc.	21,671	21,671	26,015	21,000	5,015
Trainmen's Political Education League	74,312	74,312	43,660	43,660	—
Textile Workers Union of America	26,405	26,405	34,112	32,916	1,196
United Auto Workers	261,354	261,354	269,212	237,701	31,511
United Steel Workers of America	162,825	160,325	250,681	225,991	24,690
United Rubber, Cork, Linoleum & Plastic Workers	68,137	69,137	49,811	43,811	6,000
Subtotal	$3,126,286	$3,014,929	$3,598,106	$2,880,982	$ 717,124
6 Miscellaneous[c]	53,092	53,092	66,579	59,129	7,450
TOTAL	$3,179,378	$3,068,021	$3,664,685	$2,940,111	$ 724,574

[a] Adjusted for lateral transfers from national-level Republican, Democratic, Labor and Miscellaneous committee groupings included in the tables.

[b] Direct expenditures were determined by subtracting all transfers of funds from gross disbursements.

[c] Boilermakers-Blacksmiths Pol. Educ. & Legislative Comm.; Int'l Chemical Workers Union; Int'l Bro. Firemen & Oilers; Internat'l Typographical Union; Laundry & Dry Cleaning Int'l Union; Railway Clerks Political League.

TABLE 14

Receipts and Expenditures — Miscellaneous National Committees

(Jan. 1 — Dec. 31, 1964)

Committee	Gross Receipts	Adjusted Receipts[a]	Gross Disbursements	Total Transfers Out	Direct Expenditures[b]
Americans for Constitutional Action	$ 187,417	$ 187,417	$ 203,905	—	$ 203,905
Amer. Medical Pol. Action Comm.	301,311	301,311	402,052	$ 392,955	9,097
Amer. for Demo. Action (Reg. & Non-Pol. Acct.)	220,946	202,211	179,063	1,150	177,913
Banker's Congressional Comm.	13,424	13,424	10,015	8,350	1,665
Business-Industry Pol. Action Comm.	144,123	144,123	203,283	183,331	19,952
Comm. on American Leadership	11,076	11,076	11,600	10,710	890
Citizen's Comm. for Improved Gov't	19,376	19,376	16,125	16,025	100
Comm. for Economic Growth	31,770	31,770	29,826	23,000	6,826
Council for a Livable World	118,567	113,567	136,832	18,206	118,626
Christian Nationalist Crusade	268,898	268,898	278,785	4,915	273,870
For America	2,900	2,900	2,033	—	2,033
Government Improvement Group	8,335	8,335	10,433	10,400	33
Nat'l Comm. for an Effective Cong.—Campaign Fund	344,779	335,529	311,346	185,810	125,536
Nat'l Comm. for a Representative Cong.	14,248	14,248	14,248	—	14,248
Nat'l States Rights Party	39,972	39,972	41,964	—	41,964
Pro-America	5,753	5,753	4,499	—	4,499
Political Independence Comm.	12,931	12,931	12,301	10,200	2,101
Rural Political Education Comm.	4,828	4,828	3,692	2,650	1,042
Socialist Labor Party	90,981	90,981	65,106	5,762	59,344
Socialist Workers Party	2,570	2,570	2,570	—	2,570
Lumber Political Education Comm.	5,780	5,780	9,622	8,300	1,322
Subtotal	$1,849,985	$1,817,000	$1,949,300	$ 881,764	$1,067,563
5 Miscellaneous[c]	5,779	5,779	14,094	7,600	6,494
TOTAL	$1,855,764	$1,822,779	$1,963,394	$ 889,364	$1,074,030

[a] Adjusted for lateral transfers from national-level Republican, Democratic, Labor and Miscellaneous committee groupings included in the tables.

[b] Direct expenditures were determined by subtracting all transfers of funds from gross disbursements.

[c] Conservative Action Committee; Committee for a Conservative Congress; Committee of the Hundred; National Good Government Committee; Shoe Manufacturers Good Government Committee.

$850,000 in 1960. In particular, transfers of funds from these committees to candidates and committees at all levels (but mostly to Congressional candidates and their committees) increased from $144,000 in 1960 to $889,000 in 1964. Some national-level committee transfers to state affiliates are for the latter to distribute to selected Congressional candidates from within the state, thereby camaflouging the purpose and avoiding naming actual recipients in campaign fund reports filed with the Clerk of the House.

There were three significant new committees: the American Medical Political Action Committee reported receipts of $301,000 and disbursements of $402,000; the Business-Industry Political Action Committee received $144,000 and spent $203,000;[50] and the Council for a Livable World received $119,000 and spent $137,000. The National Committee for an Effective Congress significantly increased its number of contributors to 35,000, as well as its 1964 receipts and expenditures over 1960, when its totals were combined with two special allied funds. In 1964, it reported receipts of $344,779 and expenditures of $311,346 (including its special 1964 Campaign Fund Account); and it was allied with two other funds not required to report in Washington, whose combined receipts were about $69,000.

The list of miscellaneous committees includes three representing specific industries; the three committees—the Bankers Congressional, Lumber Political Education, and Shoe Manufacturers Good Government—make contributions to selected candidates for Congress in both parties.

Seven third-party presidential elector slates were on the ballots of 22 states. Only three were on the ballot in as many as ten states. Only three filed financial reports with the Clerk of the House, as shown in Table 14.

Presidential Campaigns in Selected States and Localities

Presidential campaigns are vastly decentralized, and are carried on simultaneously by party and *ad hoc* committees in 50 states. With the growth of organized groups and the multiplication of political interests, non-party committees began to undertake significant campaign activity. Many committees make no accounting of their funds and activities to a higher body.

In an effort to improve intra-campaign communications during the campaign, the Democrats used a network of regional coordinators, located at the DNC but each one assigned to six or seven states with responsibility to provide direct coordination between the states and

[50] See below, p. 99.

the national campaign effort. Regional coordinators worked directly with a state coordinator selected to smooth campaign efforts within the state. Republicans utilized a not far different system, but encountered problems in states enjoying moderate leadership.

An additional dimension of the financing of presidential campaigns is at the state and local levels. To survey each of the 50 states is an immense undertaking, but some indication of some of the amounts raised or spent in some states and localities can be given. Information is taken from official documents as in Oregon, press clippings usually based on official filings, research papers, and other sources. No state or local party committees are included, only committees with Johnson-Humphrey or Goldwater-Miller—and no other names such as Senatorial candidates—in the title. Pre-nomination information is excluded. There may be some duplication if state or local groups transferred funds to each other or to national-level committees whose totals have been noted in the main body of this study. The data are incomplete and unrepresentative, but are selected examples of the range of financial activity:

Democratic

California	
Johnson-Humphrey Campaign Committee	$394,605
San Diego President Johnson Campaign Committee	$ 35,380
Florida	
Duval County Democratic Presidential Campaign Committee	$ 14,587
Illinois	
Citizens for Johnson Committee	$ 20,401
Maryland	
3 Statewide Committees for Johnson-Humphrey	$ 24,900
New Jersey	
Republicans and Independents for Johnson	$ 4,414
New York	
President's Club	$1,004,700
Women for Johnson-Humphrey	$ 25,200
Republicans & Independents for Johnson-Humphrey	$ 24,000
Oregon	
Johnson-Humphrey Campaign Committee	$ 14,200
8 Other Commitees for Johnson-Humphrey	$ 5,100
Pennsylvania	
6 Statewide & County Committees for Johnson-Humphrey	$ 66,450
Philadelphia Johnson Bandwagon Committee	$ 26,969
Texas	
Johnson-Humphrey Texas Campaign Committee	$ 82,277
Wisconsin	
Wisconsin Republicans and Independents for Johnson	$ 806

Republican

California	
Goldwater-Miller Finance Committee	$756,000
Goldwater-Miller Campaign Committee Santa Clara	$ 40,900
Democrats for Goldwater, Northern California	$ 12,837
Connecticut	
3 Statewide Commitees for Goldwater-Miller	$ 87,900
Delaware	
Citizens for Goldwater-Miller	$ 25,000
District of Columbia	
Citizens' Committee for Goldwater-Miller	$ 13,835
Florida	
Escambia County Citizens' for Goldwater	$ 24,694
Goldwater for President Special Committee, Tampa	$ 6,342
Maryland	
3 Statewide and County Committees for Goldwater-Miller	$ 68,800
Michigan	
5th District Michigan Goldwater Committee	$ 11,614
Missouri	
St. Louis Grassroots for Goldwater	$ 351
New York	
Erie County Division of New Yorkers for Goldwater-Miller	$ 25,677
New Yorkers for Goldwater-Miller	$487,800
Goldwater Victory Rally	$148,560
Oregon	
Citizens for Goldwater-Miller	$ 87,400
17 Other Committees for Goldwater-Miller	$ 17,300
Pennsylvania	
3 Regional and County Committees for Goldwater-Miller	$135,000
Tennessee	
Knoxville, Tennessee Goldwater-Miller, 2nd Congressional District	$ 6,903

V. SOURCES OF FUNDS

According to the Survey Research Center (SRC), 10 percent of a national sample of adult Americans said *they* had contributed to some party or candidate in 1964; about another one percent knew *another* member of their household had contributed, making a combined percentage of about 11. A Gallup Poll indicates 12 percent who contributed, or a member of whose family did. Both surveys found about 6 percent giving to the Republicans and 4 percent to the Democrats, with less than 1 percent contributing to both. While these figures are subject to possible sampling error, they tend to confirm that there has been a relatively stable level of contributing of roughly 10 percent in presidential election years since 1956, as shown in Table 15. Translating these figures into individuals who gave money at some level to some campaign, the percentages indicate:

3 million individual givers in 1952
8 million individual givers in 1956
10 million individual givers in 1960
12 million individual givers in 1964

The large increase in the number of national-level Republican contributors in 1964 is not readily evident in the findings. Of course, fewer than one million Republican contributors, while impressive in aggregate numbers, represents less than one percent of the national adult population and hence may not readily appear in survey results. And there may have been some fall-off in the numbers of Republican contributors at state and local levels, offsetting to some extent the large increase in Republican contributors at the national level. SRC figures did show that 8 percent were solicited by Republicans, while only 4 percent by Democrats, and 3 percent by both parties.

However, further analysis comparing 1964 and 1960 respondents in the SRC surveys shows that in both election years, 19 percent of Republican-identifiers made contributions, whereas only 7 percent of Democratic-identifiers gave. Thus despite Republican minority status in vote-getting, their superiority in contributing is clear: in aggregate numbers at all levels, there are about 5,700,000 Republican contribu-

TABLE 15

PERCENTAGE OF NATIONAL ADULT POPULATION SOLICITED AND MAKING CONTRIBUTIONS

		Solicited by:			*Contributed by:*		
Organ.	*Year*	*Republicans*	*Democrats*	*Either*	*Republicans*	*Democrats*	*Either*
SRC	1952				3%	1%	4%
Gallup	1955	5%	5%	10%	3	3	6
Gallup	1956	8	11	19	3	6	9
SRC	1956				5	5	10
Gallup	1958	5	5	11	2	3	5
Gallup	1958	8	8	16	3	3	6
Gallup	1960	9	8	15	4	4	9
SRC	1960				7	4	12
SRC	1962				4	5	9
SRC	1964	8	4	15[a]	6	4	11[b]
Gallup	1964				6	4	12

Sources: Survey Research Center, University of Michigan, data direct from Center or from Angus Campbell, Philip E. Converse, Warren E. Miller, Donald E. Stokes, *The American Voter* (New York: John Wiley and Sons, 1960), p. 91; Gallup data direct or from Roper Opinion Research Center, Williams College.

[a] 3 percent solicited by both parties.

[b] This 1964 percentage is combined for individuals who said they gave and for those who said they knew another member of their household had given.

tors compared with about 4,200,000 Democratic contributors.[1]

In 1964, the American Heritage Foundation cooperated with the Advertising Council again in urging citizens to register and vote, but deemphasized an appeal that had equal billing in 1960—to contribute to the party of their choice. The failure to continue associating contributing with registering and voting, and to dignify contributing with these other time-honored functions, must be counted a step backward in bipartisan efforts to broaden the base.[2]

The Republicans

The number of national-level Republican contributions in 1964 can be stated with confidence, although there is some duplication because some contributors gave to more than one program. In sums under $100, direct mail returns ran to 410,000, though about 30,000 were returned without a contribution. Television appeals of Ronald Reagan and Raymond Massey brought another 134,000 contributions under $100. The Dean Burch appeals on TV brought about 100,000 contributions under $100, while a separate Citizens for Goldwater accounting shows 37,000 more contributions. In all, approximately 651,000 contributions in small sums were received, while from all programs there were 10,000 individual contributions between $100 and $999, and 1500 for $1,000 and over.

Republican successes in direct mail were not without their cost. During 1964, for party and citizen's programs, about $5.8 million was raised through the mailing of over 15 million pieces of fund-raising literature. This represented an investment in postage and printing and purchase of mail lists and services of more than $1 million. Most of the mailings were made early and sent third class mail, thus reducing the costs to about $65 per thousand.

The Republican financial achievements of 1964 resulted in part from Goldwater's attraction, but also from a serious Republican effort starting in 1962 to build a national sustaining fund of $10-a-year memberships. Introduced in March 1962, the sustaining fund attracted 70,000 contributors in that year. In 1963, gross receipts in the sustaining fund were $1.1 million from over 100,000 contributors. In the first six months of 1964, prior to the Republican convention, $1 million had been raised through this means. During some months, sustaining fund income provided the bulk of money available to keep the national

[1] The apparent discrepancy with the 12 million contributors noted above results from the inclusion in the larger figure of those respondents who said they knew another member of their household contributed. For a discussion of "individual *vs.* family" interpretations of such survey data, see Herbert E. Alexander, *Responsibility in Party Finance, op. cit.*, pp. 22-27.

[2] However, an unrelated bipartisan effort is described below, p. 104.

party operating. Amounts of contributions to the Sustaining Fund and other direct mail campaigns consistently averaged more than $10.

Following the Goldwater nomination, another $1.3 million was raised through sustaining fund mailings, and the average amount of contributions increased. For the year, $2,369,000 was raised through the RNC sustaining fund, approximating the $2.5 million goal projected for 1964 regardless of who the presidential nominee was.

The following shows the results of Republican direct mail campaigns in 1964:

Pre-Convention	*Mailed*	*Returns*	*Dollars*	*Average Contribution*[b]
Sustaining Fund	3,060,364	99,289	$1,029,075	$10.36
Post-Convention				
Sustaining Fund	2,145,000	89,288	$1,340,265	$16.68
Campaign Committee	3,768,000	83,160	1,598,800	21.36
TV Committee	323,138	30,485	561,419	20.46
Citizens Committee	5,980,840	108,082	1,244,156	12.79
Subtotal		311,015[a]		
TOTAL	15,277,342	410,304	$5,773,715	

[a] Less 10 percent returned with no contribution.

[b] Amounts in this column in the post-convention period were computed after corrections were made for the 10 percent returns, noted in footnote above, not containing a contribution; a 10 percent average correction was made for each figure in the "Returns" column in the post-convention period.

Considerable duplication in such massive mailings was inevitable, and many persons received numerous appeals, including many Democrats. But the various mailings seeded the territory, so to speak, and built up momentum for contributions, many of which came in toward the end of the campaign. Perhaps some TV appeals helped to trigger mail responses by reinforcing written appeals for funds. Return envelopes included in mailings made it easy to contribute, and the combination of written and auditory appeals may have been irresistable for numerous Goldwater sympathizers. Nevertheless, the percentage response in 1964 was not as high as it had been for the Republican sustaining fund in 1962 or 1963, because the mailings were greater and the lists were less selective.

The sustaining fund and Goldwater mailing lists were bought from many sources, including credit-card memberships, lists sold by brokerage firms, by health and welfare organizations. The mailings even included the list of buyers of Kozak Auto Drywash cloths, which surprisingly proved very productive.

The Goldwater forces had prepared a mailing for the day after the convention, when 10,000 personalized appeals went out over the signature of Senator Goldwater.

An important source of money was found in the accumulated lists of persons who had made a declaration of support in the national Draft Goldwater movement. Pre-nomination mailings asked for a contribution at the time of the mailing, another after Senator Goldwater publicly announced his candidacy for the nomination, and still another when he received the nomination. The pledge cards were milked for all they were worth. Unlike most presidential candidates, Senator Goldwater had attracted many contributors—300,000 or more—in the pre-nomination period, which served as a nucleus to draw on for the election campaign.

To help generate last minute income, some few mailings were made in late October and sent first class mail. In addition, about 80,000 telegrams were sent in the last ten days before election to persons who had already contributed and were asked to give more. Republican receipts from all sources are shown in Table 16.

TABLE 16

REPUBLICAN NATIONAL AND CAMPAIGN MONTHLY RECEIPTS, 1964
(Rounded to Nearest Hundred)

January	$ 270,900	1.5%
February	386,400	2.1
March	399,600	2.3
April	334,900	1.9
May	234,800	1.3
June	442,900	2.5
July	633,600	3.5
August	1,369,300	7.6
September	4,380,900	24.4
October	7,253,800	40.4
November	2,234,600	12.4
December	6,200	0.1
TOTAL	$17,947,900	100.0%

The peak was reached in October, but the funds received in November were concentrated in the first few days of the month, though including some weekend mail from the last few days of October. The figures in December tell much about the after effects of a losing election. The month-by-month figures tell much about the difficulty of rationally planning expenditures in an election year. The fluctuations tell much about the operation of a national party and campaign in a

system geared to scheduled elections but not to permanent party campaigning.

Major sources of Republican funds in 1964 are set forth in Table 17.

TABLE 17

REPUBLICAN NATIONAL AND CAMPAIGN INCOME
SOURCES OF FUNDS, 1964
(Rounded to Nearest Hundred)

Source	*Amount*	*%*
Direct Mail	$5,815,100	32.4
State Payments	2,710,100	15.1
Dinners	2,476,800	13.8
Associates	2,171,700	12.1
Dean Burch TV Appeal	1,274,300	7.1
TV Los Angeles	1,184,600	6.6
Special Events	1,058,900	5.9
Miscellaneous	807,700	4.5
Raised Direct by Congressional Committee	448,700	2.5
TOTAL	$17,948,000	100%

The direct mail and TV appeals have been noted. A separate section on fund-raising dinners follows. The Associates program consists of contributors of $1,000 or more, and an analysis of large contributors will follow in another section.

California was the largest single dollar source for all national-level Republican committees in 1964, providing $2.1 million credited to the state in a Republican tabulation of state quota performance. New York provided $1.5 million, and next in order were: Illinois, $1.4 million; Pennsylvania and Ohio ($1 million each); and Texas, $880,000. New York and Pennsylvania provided excellent mail responses to the national drive for funds.

There was much discussion of increased Republican financial support in the West and South, and a drop in contributions from the East. One indicator is national credit given to states for contributions from all sources originating in those states. While quotas may have increased since 1960, and significant dollar amounts may not be involved in certain smaller states, Republicans found their national quota performance record for 1964, compared with 1960, as follows:[3]

Eight southern states increased their percentage, but Florida, North Carolina, and Tennessee decreased theirs;

[3] This analysis reflects most national Republican Party and campaign income; state committee quota payments or contributions to support the national party amounted in 1964 to about 15 percent of total income, which can be estimated at about $2.7 million.

California increased quota performance from 78 percent in 1960 to 118 percent in 1964, but New York decreased from 132 percent to 62 percent;

Of some large states, Illinois, Ohio, Pennsylvania, Michigan, and Minesota decreased while Indiana, Oklahoma, and Wisconsin increased;

However, of ten New England and mid-Atlantic states, seven decreased with only Maine, Vermont, and New Jersey showing small increases;

Of eleven Pacific and mountain states, every one increased their percentage, though Oregon and Washington were up only slightly; increases in Arizona, Idaho, Montana, and New Mexico were sizable; Nevada rose from meeting 42 percent of its 1960 quota to 262 percent of the 1964 quota.

For all states and the District of Columbia, Puerto Rico and the Virgin Islands, the Republican quota performance record in 1964 was 105 percent, compared with 113 percent in 1960.

These quota results were sufficiently variable to warrant a search for other means of measuring any shifts in Republican sources of funds by region. Accordingly, a count was made of numbers of contributions (not contributors) and total amounts contributed in sums of $500 or more to clearly identifiable national-level presidential campaign committees, comparing Goldwater's financial strength by state with that of Nixon in 1960. The state-by-state breakdown can be found in Appendix D, while the regional results, drawn from the state analysis, follow:[4]

	1964		*1960*	
	Contributions	*Amount*	*Contributions*	*Amount*
New England	204	$ 288,500	171	$ 206,000
Middle Atlantic	552	763,500	1,024	1,304,300
Border	239	255,300	184	201,300
South	433	485,700	314	331,100
Midwest	721	844,700	592	714,600
Mountain	140	171,600	32	25,500
Pacific	257	307,700	254	273,000
TOTAL	2,546	$3,117,000	2,571	$3,056,000

This compilation shows Goldwater ahead of Nixon in six of seven regions, and in 35 of 50 states; in the District of Columbia, Nixon ran

[4] Contributions of $500 or more were counted for 1964 if made to the following committees: Americans for Goldwater; Brothers for Goldwater; Campaign

ahead. As Appendix D indicates, Nixon ran ahead of Goldwater in California, his home state, even though throughout 1964 it was reported that Goldwater was receiving unusual financial support in Southern California. In Texas, Arizona, New Mexico and surrounding states in the Southwest, where Goldwater financial support also was continually reported as heavy, he did lead Nixon in contributoins of $500 or more, but not by substantially greater margins than in many Midwestern states. Pennsylvania and Illinois were almost standoffs, while Nixon did much better in New York and Goldwater did much better in Ohio. In total numbers of contributions and in total amounts contributed, however, the two were almost even. Goldwater financial strength among large contributors was distributed more generally in all areas excepting the Middle Atlantic states; even there Goldwater attracted more funds in New Jersey and Pennsylvania, and his big dropoff came in New York and Delaware. Nixon's decided advantage had been in New York, the District of Columbia, Michigan and California. The conclusion must follow that with the exception of the last-named states, Goldwater's financial strength was not as concentrated as many supposed. The main shift in overall Republican financial support occurred in sums under $500. The aggregate of sums under $500 was so great that much of this money had to come from sources untapped by Nixon in 1960 or Eisenhower in the 1950's.

While some Republican contributing was fragmented and polarized between national-level (Goldwater) and state-level (moderate) committees, as noted, the Republican national leadership in 1964 solicited the states more energetically and more deeply through mail drives, phone blitzes, and other means than in other recent campaign years. Normally, contributors in metropolitan areas and certain states are asked to give to United Republican Finance committees (URFC), whence funds are distributed approximately a third to the national party committees, a third is retained at the state level, and a third directed to county levels. In 1964, in some states the URFC's were

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Committee for Goldwater-Miller; Citizens for Goldwater-Miller; National TV; Republican Campaign Committee; Republican Television Committee; Republican National Committee; Republican National Finance Operations Committee; Solid South Speaks for Goldwater Committee; Women Voters for Goldwater-Miller. Contributions for 1960 were counted if made to Builders Committee for Nixon-Lodge; Committee for the Real Nixon; Independent Television Committee; Nixon-Lodge Unlimited; National Nixon-Lodge Club; Republican National Committee; Television Committee, Republican Campaign Dinners; Vote Getters for Nixon-Lodge; National Volunteers for Nixon-Lodge. Not included were contributions to Senatorial or Congressional or other non-presidential committees. Contributions to Republican National Committee were included for whole year in both 1964 and 1960. Multiple contributions of one individual were counted for as many contributions as the individual made.

unable to appeal to some regular contributors. The New York URFC raised $600,000 less than in 1960. Goldwater supporters tended to give directly to the national campaign in Washington to avoid giving to the campaigns for moderates such as Senator Kenneth Keating, Senator Hugh Scott, Charles Percy, Robert A. Taft, *et al.* Nor were moderate Republicans interested in giving to the URFC's from whence portions of funds would be shared with the Goldwater campaign. In fact, the New York, Pennsylvania, and perhaps other moderate-oriented URFC's sent practically no funds to Washington after Goldwater's nomination.

A reliable survey of Republican state committees showed deficits in eleven key states far in excess of normal indebtedness.[5] While in fairness it should be pointed out that some of the states went into the campaign in debt,[6] and some spent unusually large amounts on statewide campaigns to offset the seemingly lost presidential contest, most managers attributed the problem of slight state finances to the Goldwater candidacy—both because it drew off funds directly to Washington and because it lacked appeal to some regular Republican contributors.

The Democrats

No comparable information as to monthly receipts or sources of funds as presented for the Republicans, has been made available by the Democrats. The Democrats no longer have a quota system but negotiate with each state for support of the national party; through one means or another, some money is received from most states. In 1964, approximately $2.3 million was received in transfers from the states. The bulk came from a few states with active President's Clubs, such as New York and California, or from states holding dinners at which President Johnson spoke and the proceeds were shared, such as Illinois and New Jersey. To a marked degree, however, national Democratic committees in turn transferred substantial funds to the states for registration and campaign purposes. For example, the President's Club of New York drew off some funds that might otherwise have been raised by the state party. Bargaining occurred; the Club sent $912,275 to Washington; and Washington returned $465,000 to the state committee, though with the understanding that it be used for the campaign and not to erase a 1962 deficit. The national Democrats shared about $1 million with state party committees, even in cases where the state party had not contributed to support the national

[5] Richard Dougherty, New York *Herald Tribune*, Jan. 31, 1965.

[6] In early 1964, Republican Chairman Miller said a survey showed state Republican organizations owed $2 million. *Congressional Quarterly*, March 27, 1964, p. 618.

party. Nothing was demanded of some states which were expected to spend whatever they could raise locally, since their needs were greater than were those of national. Democratic financial assistance to candidates for Congress was doubled.[7] In total, the national Democrats returned as much money to the states and to candidates as was received from state sources. This they would not have done had not their other sources of funds been adequate, as is explained in perspective in what follows.

Earnest Republican efforts to broaden the base look especially promising compared with the Democrats' funding since 1960, when the large Democratic deficit focused attention on the need for large amounts of money. The success of Democratic Galas, President's Birthday Salutes, and the President's Club all worked against serious efforts to achieve more democratic means of financing the Democratic Party. The Democratic National Sustaining Fund was permitted to languish,[8] and the Dollars for Democrats program was ignored.[9]

By mid-1963, the Democrats had erased both their 1960 deficit and debts from the 1962 Congressional elections. Thereafter, they have stated, periods of surplus and deficit alternated as fund raising spurted and lagged and needs increased while gearing up for the 1964 campaign. Although there were reports of pre-campaign surpluses as high as $5 million,[10] officially the Democrats state only to have "broken into the black" before the Convention in August. In large measure this was accomplished through the activities of the President's Club.

The President's Club

President Johnson developed a Kennedy fund-raising innovation called the President's Club into a personal financial-political organization dedicated to the support of his election.[11] The President's Club was patterned on the Democratic 750 Club and the Republican 1000 Club. A word about the 750 Club is instructive. During the mid-1950's the Democrats sought 750 members at $1,000 each, to wipe out deficits at the DNC. This number of large contributors was thought

[7] Without counting some state President's clubs funds which went to candidates and were not reported in Washington.

[8] Mailings totaling only one million were reported by Democratic officials to have been made, bringing perhaps 50,000 members at $10 each per year, compared with 65,000 members in 1960.

[9] No new materials were prepared although old promotions were available upon request.

[10] Drew Pearson, "Democrats Have Money in Bank," Washington *Post and Times Herald*, Aug. 22, 1964; compare with the $3 million figure used by Walter Pincus, "Democrats' Till is Healthy," Washington *Evening Star*, Aug. 24, 1964.

[11] For additional information about the President's Club, see Herbert E. Alexander and Harold B. Meyers, "The Switch in Campaign Giving," *Fortune*, November, 1965, pp. 170-2, 211-16.

to be the Democratic potential, but the goal was not reached before 1960. The President's Club was established in late 1961, and built up to about 4,000 members in 1964—a remarkable increase from the 750 upper limit thought feasible less than a decade before; even the 1800 President's Club members claimed for 1965 is a notable increase in numbers of Democratic large contributors since the 1950's.

The President's Club was originally an excuse to formalize and institutionalize the seeking of large contributions, and to give donors contact with the President. But it soon became in effect a finance arm of the Democratic Party and an operating committee for the President. Separate state clubs were spun off in areas of concentrated wealth, in New York, Minesota, Southern and Northern California, and while each is national-oriented, each has bargained its own division of funds with the national leadership.[12]

The President often has combined a Washington or out-of-town appearance at a $100-a-plate dinner with an exclusive reception or after-dinner buffet for members of the Club.[13] Wherever possible when dinners or events have been held, the President would move about and shake hands with members. As noted, arrangements were made for members to attend the National Convention and special events were held each day; members were invited to the Inaugural Gala and Dinner and other events. When the Club was smaller, efforts were made to invite members to White House affairs. Special briefings or seminars led by highest White House and federal officials have been arranged in some cities.

The Chairman of the President's Club under both Presidents Kennedy and Johnson has been Arthur B. Krim, who also operates the separate New York club. While Krim operates from a New York President's Club office, during 1964 a President's Club for Johnson Committee was established in Washington as part of the national Democratic campaign. The President's Club sponsored the publication of a Sunday newspaper supplement, described elsewhere.[14] Several local clubs also have developed their own operations. The New York club, with about 575 members in 1964, formed an Associates program for $100 contributors, designed to attract younger persons

[12] The receipts of these state clubs are included in national-level income totals only to the extent the state club monies were transferred to Washington, because these state clubs did not file in Washington.

[13] See below, pp. 81-83. Northern and Southern California President's Clubs transferred $260,000 to Washington committees while the President Johnson Dinner Committee sent in $50,000; the remainder was used in the state for registration and other purposes that would benefit the national and state tickets. In Michigan, all but $41,000 of the President's Club Johnson Dinner receipts were left in the state, part for use at the direction of the DNC, part for state use.

[14] See above, p. 50.

who could not afford $1,000; it also sold tickets to President's Birthday Salutes in 1962 and 1963; and it sponsored mailings to sell copies of the National Convention Program in 1964. Contributions are made directly to the New York club,[15] not to national committees located in Washington, as are most President's Club contributions.

A separate Minnesota President's Club, with 134 members in 1964, arranged several events at the National Convention and elsewhere to honor Hubert H. Humphrey. The agreed division of funds led to the expenditure of considerable Minnesota club funds in Congressional campaigns. Thus Minnesota transferred funds to the Humphrey for Vice-President Committee, which in turn disbursed $100,000 to the Democratic Senatorial Campaign Committee for distribution to candidates for the Senate; in addition, $53,000 were distributed back to Minnesota Congressional candidates. Incidentally, the President's Club for Johnson Committee also disbursed $52,000 to various Congressional candidates in the final days of the campaign.[16] Since President's Club contributions ostensibly were intended for the Johnson-Humphrey campaigns, these were uses not intended by some donors; in some areas such as New York, donors were advised funds might not all be used for presidential campaigns.

President's Club members' names are not made public, raising doubts and suspicions though reasons for secrecy are simple.[17] Some Republicans who joined may prefer not to be listed as members. But more important, the press is intentionally barred from Club affairs as a measure to give members a special dimension of privacy and intimacy with top political leaders, ostensibly not to shield the identity of members. Club managers admit the "inside dopester" approach appeals to many, while an invitation to the White House is always a rare honor. And Club managers claim such affairs, plus wining and dining, are a small price to pay for encouraging financial participation in politics.

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[15] The President's Club of N.Y. has filed its statements in Albany, not Washington. In 1964, it received $998,666, of which it in turn transferred $912,275 to Washington committees. Receipts in 1962 had been $643,100, and in 1963 were $436,000. The 1962 and 1963 programs were built around the Birthday Salutes to the President. In 1965, a President's Ball was held; while 800 attended, the filing showed receipts of $520,000 and a drop to about 425 contributors of $1,000 or more.

[16] Eileen Shanahan, "5-Day G.O.P. Drive took in $4 Million," New York *Times*, Jan. 15, 1965.

[17] Public reports required by federal law reveal the names of those members who contribute to national-level groups reporting in Washington. But where separate clubs have been established, reports may or may not be required by state law. The New York, Minnesota, and California memberships were not reported in Washington. The New York lists were filed in Albany, Minnesota made a public announcement of members, and no filings have been found in Washington or California for the California clubs.

It is necessary to patch together pieces of information to get the membership distribution. Reports in Washington in 1964 reveal about 2,700 different contributors of $1,000 or more to all national-level Democratic committees, including however some Independent and Republican committees for Johnson whose donors may not want to be considered members of the President's Club.[18] Combined with the separate state members (New York, 575; California, 400; Minnesota, 134) this makes a total of about 3,800 President's Club members nationally—a number smaller than the 4,000 members Democratic spokesmen claimed.[19] Approximate membership distribution by states is shown in Appendix E.

The District of Columbia concentration is a unique one; membership extends into Washington's suburbs in Maryland and Virginia, and consists of many high government officials, lobbyists, and members of Washington "society." Of course, the Texas and Minnesota contingents are large, both in Washington and in each state.

During 1964, the Club grew so large its membership was no longer exclusive, and there are not enough White House affairs to invite all members. During 1965, once Inauguration festivities were over, the number of known President's Club events was limited. Seminars were held in such places as New York, Cincinnati and Dallas; Vice-President Humphrey usually attended if the President did not. The Club has claimed 1,800 members in 1965.

In several states, the regular party organization grumbled at the President's Club attracting away certain large contributors and focusing their attention on Washington. Certain leaders of the President's Club have risen to prominence and in some instances may have supplanted state leaders with respect to patronage and other matters; some state and county committees have had to contribute to it so as to ensure that their leaders can attend Club events. It was reported in several states that memberships were sold with suggestions that members would enjoy direct relationships with the White House or the National Committee, ostensibly enabling members to bypass state party leaders and elected representatives in dealings with the federal government.

The relative success of the President's Club has brought inevitable efforts to imitate it. Governor Rockefeller of New York organized a Governor's Club at $500 per member; Governor Sanders of Georgia did the same; and Pierre Salinger began a short-lived Senator's Club

[18] For this analysis, husbands and wives were counted separately where $2,000 or more was donated, on the premise that both are members.

[19] Of the 3,800 there is some duplication because some may have contributed to both a state club and to committees at the national level, and hence were counted twice.

at $100 per member which developed into a Golden Bear Club at $1,000 a member, to benefit certain Democratic candidates. As noted elsewhere, the Republican Congressional Boosters Club was patterned on the President's Club, with $1,000 membership, receptions held in various cities for former Vice-President Nixon and Congressional leaders, and events at President Eisenhower's farm in Gettysburg.

Fund-Raising Dinners and Events

The appeal of the President's Club points up the utilization of a "star" system of attraction in political fund raising, illustrated in both parties by their dinners and similar events.

A wide but by no means complete collection of newspaper clippings indicates a minimum of $26.6 million can be accounted for as receipts at political fund raising events in 1964 for candidates and committees at all levels. Remarkably, totals indicate Democratic and Republican receipts of $13.3 million each, though raised in different combinations at events ranging in price from $5,000 for cocktail parties to $1 tickets to galas, rallies, and clambakes.[20] The President, of course, was the star attraction, appearing at events where almost $7.9 million was collected,[21] as shown in Table 18. It is known he refused to speak at some rallies and dinners, preferring to campaign for votes rather than speak to captive audiences, and that at least one state failed to agree with national on terms for the division of funds raised at his appearance, so the event was turned into a free function. In 1964, President's Club dinners and receptions alone, based on attendance, accounted for almost $2.3 million.[22] After his nomination, Senator Humphrey attended events at which at least $455,450 was raised.[23]

President's Club events are often held for members only, so each event cannot be counted as a fund raiser by reporting the number of persons attending; for dinner dances and other events, wives may be included in a husband's membership. Since the press is usually excluded, outsiders often do not know how many attended or whether membership was required in advance. However, an attempt was made to determine the roles of Presidents Kennedy and Johnson and Vice-

[20] In newspaper accounts, some figures are gross and some are net; some events could not be included when only amount per ticket but not number attending were stated, and vice versa.

[21] Proceeds were usually divided in varying proportions among national, state, and perhaps local committees.

[22] This amount is included in the $7.9 million figure above.

[23] For a whole year, Humphrey attended events totaling $855,540.

TABLE 18

FUND-RAISING EVENTS ATTENDED BY PRESIDENT JOHNSON 1964-5

2-6-64	$1000 lunch	NYC	—[a]
2-27-64	$100 dinner	Miami	$325,000
3-19-64	$100 dinner	Wash.	515,000
4-23-64	$100 dinner	Chicago	600,000
5-9-64	$100 dinner	Atlan. City	340,000
5-26-64	$1000 dinner	Wash.	750,000
	$100 Gala	Wash.	850,000
5-28-64	$1000 dinner	NYC	750,000
	$100 dinner	NYC	140,000
	$5-$100 Gala	NYC	610,000
6-19-64	$1000 reception	SF, Cal.	100,000
	$100 dinner	SF, Cal.	250,000
6-20-64	$1000 dinner (dance)	LA, Cal.	300,000
	$100 dinner	LA, Cal.	250,000
6-26-64	$1000 cocktail	Detroit	75,000
	$100 dinner	Detroit	200,000
6-27-64	$1000 reception	Minneap.	134,000
	$100 dinner	Minneap.	200,000
8-29-64	$2.50 BarBQ	Stonewall, Tex.	7,500
9-10-64	$1000 reception	Harrisbg, Pa.	60,000
	$100 dinner	Harrisbg, Pa.	560,000
10-8-64	$1000 cocktail	Cleveland	65,000
	$100 dinner	Cleveland	135,600
10-9-64	$1000 breakfast	Louisville	37,000
	$10 breakfast	Louisville	8,000
	$100 dinner	New Orleans	190,000
10-24-64	$1000 recepiton	Miami	—[a]
10-29-64	$100 dinner	Philadelphia	425,000
		1964 SUBTOTAL	$7,877,100
5-22-65	$1000 dinner & ball	NYC	500,000
6-02-65	$100 dinner	Chicago	500,000
6-24-65	$100 dinner	Washington, D.C.	800,000
9-29-65	$1000 dinner & recp.	Rockville, Md.[b]	—[a]
11-20-65	Cong. Gonzales Rally	San Antonio, Tex.	DK
		1965 SUBTOTAL	$1,800,000
		GRAND TOTAL	$9,677,100

[a] Amounts not included because some of those attending may already have been President's Club members.

[b] Residence of Sargent Shriver.

President Humphrey in President's Club as well as all fund-raising events in recent years, as shown in the following:

	President's Club	*Total Events*
President Kennedy 1961-63	$1,950,000	$10,095,000
President Johnson 1964	2,271,000	7,877,100
President Johnson 1965	500,000	1,800,000
Vice-President Humphrey 1965	[a]	1,635,000[b]
TOTAL	$4,721,000	$21,407,000

[a] Amounts not included because those attending may already have been President's Club members.

[b] Total numbers of diners and amounts grossed or netted not revealed in newspaper accounts of 16 events attended by Humphrey.

President Kennedy's totals for the President's Club run only from November 1961 on, when the Club concept began.[24] Vice-President Humphrey played a larger role in 1965 than President Johnson, in both Club and other fund-raising events, but inadequate press coverage makes tabulation of totals impossible.

By comparison, Barry Goldwater attended events at which at least $1.6 million was raised in 1964 before his nomination, and $2.6 million afterwards.[25] Other Republican leaders whose personal appearances benefitted the G.O.P. were: former President Eisenhower, $1.1 million; Richard M. Nixon, $1.6 million; and vice-presidential candidate William Miller, at least $237,000. Republicans used closed-circuit TV for holding dinners simultaneously in different cities on one night each in January and October, but the circuits were considerably smaller than in 1960 when General Eisenhower was still President. The combined total of simultaneous dinners in 1964 was 40 or so, compared with a total of 119 dinners in 1960. For the combined national party campaign committees in 1964, Republicans attributed about $2.5 million or 14 percent of their income to net national proceeds from dinners. Republicans innovated by honoring credit cards at some functions.

A Republican dinner honoring Senator Everett Dirksen in April, 1965, was a success, grossing $400,000 and netting more than $350,000 for the Republican Senatorial Campaign Committee for 1966 campaigns. However, two series of dinners with austere cuisines, one set in Ohio honoring Ray Bliss after he assumed the national chairmanship,

[24] For listing of Kennedy events through mid-1963, see Herbert E. Alexander, *Responsibility in Party Finance, op. cit.*, p. 16.

[25] One estimate puts Goldwater's fund-raising totals at Republican functions from 1960 to 1963 at $6.3 million, mostly for party coffers in local areas. David Kraslow, "Goldwater's Debt to Rockefeller," Chicago *Sun-Times*, July 12, 1964.

and one set honoring President Eisenhower's 75th Birthday, were less than rousing successes in terms of producing funds for the national party; some states paid up their national quotas from dinner proceeds. Earlier, President Eisenhower had a picnic at his Gettysburg farm for Republican contributors of $1,000 or more—the Republicans answer to the President's Club. Known events at which Richard Nixon spoke in 1965 brought in at least $1.5 million, and he attended numerous events for the Congressional Boosters not included in the totals. According to some reports, Senator George Murphy has replaced Barry Goldwater as the most sought-after speaker at Republican functions.

The wide newspaper clipping collection for 1965 indicated a minimum of $12.7 million receipts at fund raising events for candidates and committees at all levels, including those noted above. Democratic receipts were at least $5.8 million but Republican receipts were at least $6.8 million.

Large Contributions

The combination of the President's Club and fund-raising dinners provided the Democrats with most of their funds for the national-level campaign. Despite their large numbers of contributors in smaller sums, the Republicans also received substantial funds from their Associates Program, consisting of 1,500 contributors of $1,000 or more, and which provided 12 percent of their total national income.

More than 6,700 individual contributions of $500 and over were counted for the 107 committees filing with the Clerk of the House of Representatives. Of these, more than 3,400 were Democratic contributions totaling $5.2 million, while more than 3,000 were Republican contributions totaling $3.7 million. As shown in Table 19, the Democrats received approximately 69 percent of the dollar value of their total individual contributions (aggregating $7.5 million) in amounts of $500 and over. The Republicans, by contrast, received only 28 percent of the dollar value of their total individual contributions (aggregating $13.2 million) in these large sums. The dollar value of total Republican individual contributions received in sums of $500 and over was at the same level as in 1960, whereas total Democratic contributions in these sums increased from $2 million in 1960 to $5.2 million in 1964. The proportions of total Republican and Democratic individual contributions that stemmed from contributions of $500 or more in other recent years are shown in the following:[26]

[26] Percentages for 1948, 1952, and 1956 are derived from Heard, *op. cit.*, Tables 2 and 3, pp. 48, 51. For 1960, Herbert E. Alexander, *Financing the 1960 Election, op. cit.*, p. 57 The numbers of committees in the tabulations vary from year to year.

TABLE 19

The Relative Importance of Large Gifts to Selected National-Level Committees, 1964

Democratic Committees	Total Individual Contributions	$500 & Over Contributions	$500 & Over Percent	$100-$499 Percent	Under $100 Percent
National Committee	$2,062,694	$1,121,915	54	29	17
National Senatorial	43,422	35,300	81	12	7
National Congressional	1,115	1,000	90	—	10
Congressional Campaign	45,415	22,300	49	29	22
Democrats for Sound Gov't	4,800	4,800	100	—	—
President's Club for Johnson	1,885,247	1,854,300	98	—	1
Johnson-Humphrey	1,373,476	395,158	29	7	65
Johnson for President	388,155	361,878	93	5	2
Humphrey for Vice-President	566,553	439,414	78	12	11
Citizens for Johnson-Humphrey	189,694	170,795	90	8	2
Friends of LBJ	121,950	120,500	99	1	—
National Independent Comm. for Johnson & Humphrey	351,861	331,900	94	5	—
TOTAL	$7,034,382	$4,859,260	69	12	19
Republican Committees					
National Committee	$2,759,225	$ 437,639	16	9	76
National Senatorial	179,865	156,050	87	6	7
National Congressional	896,799	291,196	33	5	62
Congressional Boosters Club	189,005	176,750	94	6	1
National Finance Operations	529,433	349,764	66	25	10
Citizens for Goldwater-Miller	2,323,109	851,711	37	19	45
Campaign Committee	1,765,150	491,604	28	19	53
Republican Television*	1,703,210	482,470	28	19	36
National TV for Goldwater-Miller	2,263,850	238,223	11	45	45
TOTAL	$12,609,646	$3,475,407	28	20	50

* Does not add to 100 percent because of the inclusion in the total of one lump total of contributions under $500 which has not been broken-down into "$100-$499" and "Under $100" categories.

National Level Committees	*1948*	*1952*	*1956*	*1960*	*1964*
Democratic	69%	63%	44%	59%	69%
Republican	74	68	74	58	28

In 1948, while Democrats were in power, of total amounts contributed by individuals to national-level committees, 69 percent of dollar value was contributed in sums of $500 and over; in 1956, while Republicans were in power, their proportion was 74 percent; the Democrats in 1964 similarly were at a high level. The Republican decrease to 28 percent in 1964 is remarkable since so much more money was raised than in previous years, and is a tribute to their quest for smaller contributors. The relative importance of large gifts to selected but not all national-level Republican and Democratic committees is shown in Table 19. For most committees it was possible to compute rough percentages in the "$100-$499" and "Under $100" categories, which again illustrate the differences between the two major parties. The extent of Democratic reliance on large contributions is clear; to the extent these contributions come from special interests, this is an unhealthy tendency for a party so solidly in power.

For purposes of further analysis, there were added to the 6,700 national-level contributors about 3,300 individuals for whom data are available showing contributions in sums of $500 and more to non-national-level committees filing reports with the Clerk of the House, to House and Senate candidates and their committees filing reports with the House Clerk or the Secretary of the Senate, and to numerous lists available to the Citizens' Research Foundation.[27] Thus a master list was compiled of 10,000 different individuals[28] who in 1964 election campaigns contributed in sums of $500 or more a total of $13.5 million, as follows: Democrats, $7.7 million; Republicans, $5.4 million; and miscellaneous, $370,000.

CONTRIBUTORS OF $10,000 OR MORE. Of the 10,000 persons, at least 130 made reported gifts aggregating $10,000 or more for a total of $2,161,905.[29] The list can be broken down as follows:

98 individuals gave $10,000 to $19,999, for a total of $1,205,035
21 individuals gave $20,000 to $29,999, for a total of $527,471
11 individuals gave $30,000 or more, for a total of $429,399

[27] These include: Oregon Official *Summary Reports*, 1964 Primary and General Elections; President's Clubs of New York and Minnesota; "Money in Texas Elections," *The Texas Observer*, May 29, 1964; the campaign of Senator Kenneth Keating of New York (portions not filed in Washington); and miscellaneous lists and copies of official filings in Maryland, Wisconsin, Texas, Michigan.

[28] Again, husbands and wives were counted as one.

[29] For a list of the 130 names, with amounts each contributed, see Appendix A. The paragraph preceding the list explains the manner of compilation and the inherent limitations in the analysis.

Of the 130 persons, 52 gave to the Republican cause and 65 to the Democratic, while 13 contributed to both. A few of each made contributions to miscellaneous committees as well, and these amounts are included in the totals. By this index, despite its population and affluence, California still is not as large a source of political funds as is New York—even for Republicans in 1964, with reputed strong Goldwater financial strength in the Southwest.

The largest contributors in 1964 were:

Mr. and Mrs. Harold F. Linder, Washington, D.C.	(D)	$61,300
Dr. and Mrs. J. C. Newington, Connecticut	(R)	48,000
Mr. and Mrs. C. Douglas Dillon, New Jersey	(D)	42,000
Mr. and Mrs. M. L. McCune, New Mexico	(R)	37,500
Mr. Thomas J. Watson, Jr., New York	(D)	37,000
Mr. and Mrs. Andre Meyer, New York	(D)	35,500

Henry Ford II qualifies as one of the largest Democratic contributors, at $40,000, although he also gave $4,100 to certain Republican candidates and committees. Mr. and Mrs. C. Douglas Dillon represent the largest switch in giving from 1960, when they contributed $26,550 to Republicans; Dillon held appointments in the Eisenhower, Kennedy and Johnson administrations. Of the 10 largest contributors to Democratic causes in 1960, five failed to appear in the 1964 master file. Only Mrs. Mary Woodward Lasker increased her 1964 gifts; others decreased theirs. The largest contributor in 1964 files, Mr. and Mrs. Harold F. Linder, increased gifts to $61,300 from $12,600 recorded in 1960; he is President and Chairman of the Export-Import Bank. One Democratic committee, the Friends of L.B.J., received one contribution of $25,000 from John L. Lawler, business manager of Steamfitter's Local 562 in St. Louis; this was later claimed to have been a transfer of funds from a labor committee, but embarrassingly was reported as an individual contribution.[30]

Of the 10 largest Republican contributors in 1960, two failed to appear in 1964 records. Only one, Mr. and Mrs. Richard K. Mellon clearly increased contributions that can be attributed to the presidential campaigns; Mr. and Mrs. E. Roland Harriman increased theirs but, after Goldwater's nomination, gave only to moderate Republican campaigns and made a $3,000 contribution to a Johnson committee. Thus in both parties a certain number of large contributors will be

[30] Not counted as an individual contribution in this study, since it is clearly illegal in view of the $5,000 limitation on contributions. In 1964, President Johnson commuted the remainder of two sentences of Lawrence Callanan, former leader of the St. Louis local, and questions were being raised about the propriety of the donation, whether a contribution or a transfer. St. Louis *Globe-Democrat* Oct. 2, 16, and 20, 1965.

attracted by a given candidate, and do not appear consistently among largest contributors.

This is borne out by analysis of contributors of $10,000 or more for 1964, 1960, 1956, and 1952, as compared in the following:

Year[a]	*No. of Individuals Contributing $500 and Over*	*No. of Individuals Contributing $10,000 and Over*	*Amounts Contributed by Individuals Contributing $10,000 and Over*
1952	9,500	110	$1,936,870
1956	8,100	111	2,300,000
1960	5,300	95	1,552,009
1964	10,000	130	2,161,905

[a] Data for 1952 and 1956 derived from Heard, *op. cit.*, p. 53, note 37.

Of the 130 persons on the 1964 list, it was found that:[31]

—a hard core of 17 had given an aggregate of $10,000 or more in 1952, 1956 and 1960.
—35 gave $10,000 or more in 1960.
—35 gave $10,000 or more in 1956.
—25 gave $10,000 or more in 1952.

Of the hard core of large contributors who gave $10,000 or more in 1952, 1956, 1960 and 1964, 12 were Republicans, 4 were Democrats, and one switched from Republican to Democratic in 1964. Since 49 of the 130 contributors had given as much previously, about two-thirds of the 1964 list consists of new names in the elite class of political financiers as revealed in Citizens' Research Foundation files.

If more state and local data could be obtained for 1964, probably many more than 130 persons would have been found, and some of those listed might be shown to have contributed more than this study indicates. As it is, the $2.2 million they contributed accounts for 16 percent of the $13.5 million contributed by all 10,000 persons in the file.

CONTRIBUTIONS BY FAMILY GROUPS. Contributions made by members of 12 selected family groups were studied in 1956 by the Gore Committee.[32] These same individuals were checked in the 1960 and 1964 master files and their contributions summarized. The 1964 totals include known contributions made by persons believed to belong to these 12 families but is not necessarily a complete list of all contributions made by all members of these families. Great care was

[31] For an extended discussion of the significance of the large givers in the context of American politics, see Heard, *op. cit.*, pp. 48-58. Those who contributed in 1952, 1956 and 1960 are designated in Appendix A.

[32] Gore Committee, *Report,* Exhibit 11, pp. 65-67.

taken to correctly identify family members, including members by marriage. No impropriety on the part of any individual or family is suggested. The totals for each family are presented in Table 20.[33]

The available records show declines in both the number of identified members of these families contributing, and the amounts contributed, though the Democrats in 1964 received more money than for 1956 or 1960, as indicated in the following:

	1956	*1960*	*1964*
Republican	$1,040,526	$ 548,510	$ 445,280
Democratic	107,109	78,850	133,500
Miscellaneous	6,100	22,000	24,146
TOTAL	$1,153,735	$ 649,360	$ 602,926

TABLE 20

CONTRIBUTIONS OF 12 PROMINENT FAMILIES, 1964

Name	*Number of Members Contributing*[a]	*Total Contributions*	*Republican*	*Democratic*	*Miscellaneous*
duPont	21	$ 73,510	$ 71,010	$ —	$ 2,500
Field	2	16,500	1,000	15,000	500
Ford	2	45,100	4,100	41,000	—
Harriman	4	39,000	25,000	14,000	—
Lehman	6	40,000	2,000	37,000	1,000
Mellon	12	122,156	93,510	17,500	11,146
Olin	5	44,900	44,900	—	—
Pew	10	103,510	94,510	—	9,000
Reynolds	3	6,000	—	6,000	—
Rockefeller	14	65,500	65,500	—	—
Vanderbilt	2	2,750	750	2,000	—
Whitney	5	44,000	43,000	1,000	—
	86	$602,926	$445,280	$133,500	$ 24,146

[a] Husbands and wives were counted individually in this case.

The Rockefeller family contributions do not include amounts contributed to Governor Rockefeller's presidential pre-nomination campaign. The Olin and Pew families are the only ones strictly Repub-

[33] The list illustrates that significant political contributions are made by some prominent family groups. It does not include all prominent families, and it is not intended to suggest that all prominent families make large political contributions. In Appendix A, some individual members of these 12 families are listed as contributors of $10,000 or more: Mrs. A. M. Bruce, W. K. Carpenter, S. Currier, R. duPont, M. Field, H. Ford, E. R. Harriman, W. A. Harriman, Mrs. H. Lehman, O. Lehman, R. Lehman, P. Mellon, R. K. Mellon, Mrs. M. P. Myrin, J. M. Olin, S. T. Olin, C. S. Payson, Miss M. E. Pew, J. H. Pew, D. Rockefeller, Mrs. S. M. Scaife, J. H. Whitney; in Appendix B. split contributors are: Mrs. R. Field and Mrs. A. Lehman. The $10,000 and over names in these families account for 20 percent ($441,646) of the total in Appendix A.

lican for 1956, 1960 and 1964. Only the Reynolds family in 1964 made only Democratic contributions.

SPLIT-TICKET GIVERS. From the master list of contributors of $500 or more an analysis was made indicating those individuals who made contributions to candidates or committees in both major parties. The list is shown in Appendix B. No impropriety on the part of an individual who makes contributions to more than one party is implied. In several cases, contributions were clearly made for tickets to Republican and Democratic dinners—a not uncommon practice for some businessmen and lobbyists.

Fewer split-ticket givers were found in 1964 than in 1952 but more than for 1956 or 1960, as shown in the following:[34]

	Split-Ticket Givers	*Husband-Wife Combinations*
1952	86	3
1956	64	3
1960	35	2
1964	80	3

Many distinguished names were among the split contributors in 1964. Many gave to the Johnson campaign while also contributing to campaigns of moderate Republicans, particularly candidates for U.S. Senate, such as Senators Kenneth Keating and Hugh Scott.

One split contributor, Henry Crown of Chicago, appeared in the same category in 1960 and 1956. Two, Ralph Lazarus and R. J. Schaeffer, appeared also as split contributors in 1956, although not in 1960, according to available records.[35]

ANALYSIS OF 13 SELECTED GROUPS. In 1956 the Gore Committee compared its lists of contributors against lists of officers and directors of 13 various trade associations and special interest groups.[36] Some groups were found to have many officials contributing large sums of money; other groups were found to have few or none. For 1964, the master list of contributors was carefully checked against current lists of officers and directors of the same 13 selected groups. Table 21 gives the groups and the results.

[34] Figures for 1952 and 1956 are derived from Heard, *op. cit.*, p. 60. The husband-wife combinations are cases in which the husband gives to one party and the wife to the other. In 1964, there were three additional cases counted in Split-Ticket Givers column in which husband and wife each contributed to both parties.

[35] Records for 1956 from Gore Committee, *Report*, Exhibit 21, pp. 85-86.

[36] Overacker also did this for earlier years and Heard summarizes her findings and adds new analyses in *The Costs of Democracy, op. cit.*, pp. 95-141.

TABLE 21

Contributions of Officials of 13 Selected Groups, 1964

Association	No. of Members	Number of contributors and amount of contributions[b] to Rep.	Dem.	Misc.	Total[a]
American Bar Association					
House of Delegates	267	2	3	—	5
		$ 2,000	$ 3,500		$ 5,500
American Medical Association					
Officers	6	—	—	—	
Board of Trustees	12	—	—	—	
American Petroleum Institute					
Directors	112	12	8	—	
		15,810	21,500		
Honorary Directors	25	5	1	1	
		32,500	2,500	3,000	
		17	9	1	24
		$ 48,310	$ 24,000	$ 3,000	$ 75,310
American Iron & Steel Institute					
Directors	37	5	2	1	8
		$ 8,500	$ 2,000	$ 1,000	$ 11,500
Association of American Railroads					
Officers	11	—	—	—	
Directors	21	1	4	—	4
		$ 1,000	$ 17,500		$ 18,500
Business Advisory Council					
Active and graduate members	118	36	33	—	63
		$ 87,100	$135,450		$222,550
Chiefs of Foreign Missions and Special Missions					
Non-career officers	35	—	10	1	10
			$ 37,640	$ 500	$ 38,140
Manufacturing Chemists Assoc.					
Officers	6	1	1	—	
		1,000	4,000		
Directors	28	2	1	—	
		1,500	1,000		
		3	2	—	5
		$ 2,500	$ 5,000		$ 7,500
National Assoc. of Electric Co.					
Officers and Directors	26	1	—	—	1
		$ 1,000			$ 1,000
National Assoc. of Manufacturers					
Officers	5	—	—	—	
Division Vice-Presidents	6	1	1	—	
		$ 1,000	$ 1,000		
Regional Vice-Presidents	7	1	—	—	
		500			
Honorary Vice-Presidents	20	7	1	2	
		42,500	500	3,118	

TABLE 21 (cont.)

Association	No. of Members	NUMBER OF CONTRIBUTORS AND AMOUNT OF CONTRIBUTIONS[b] TO Rep.	Dem.	Misc.	Total[a]
Directors	120	9	2	—	
		13,700	1,700		
		18	4	2	22
		$ 57,700	$ 3,200	$ 3,118	$ 64,018
Natl. Assoc. of Real Estate Boards					
Officers	5	—	—	—	
Directors	265	—	—	—	
National Coal Assoc.					
Directors	46	7	—	—	7
		$ 17,000			$ 17,000
U.S. Chamber of Commerce					
Officers	11	1	—	—	
		$ 1,000			
Directors	52	6	—	—	
		$ 6,200			
		7	—	—	7
		$ 7,200			$ 7,200
Total Amount of Contributions[c]		$200,310	$225,790	$ 4,618	$468,218

[a] Individuals making major party *and* miscellaneous contributions are counted only once.

[b] Husbands' and wives' contributions have been lumped together.

[c] The Republican and Democratic columns in Table 21 do not equal the overall total amount of contributions because 5 contributors (4 Republicans and 1 Democrat) belonged to more than one of the 13 groups. Their contributions are included within the totals for each group of which they are members, but the duplicated amounts have been subtracted in the overall total.

The political interests of many of these groups are apparent; such analyses as these are exploratory in nature and are made to determine the extent of involvement by members through campaign contributions. Individuals identified with these groups are assumed to contribute as individuals, not formally on behalf of the group.

A comparison of 1964, 1960, and 1956 indicates a decrease in the total giving in sums of $500 or more among members of these groups; and it shows the decline of Republican attraction of large contributors and the simultaneous rise of Democratic attraction, as follows:

Year	Republicans	Democrats	Miscellaneous	Total[a]
1964	$200,310	$225,790	$ 4,618	$468,218
1960	425,710	62,255	2,500	493,465
1956	741,189	8,000	2,725	751,914

[a] Republican and Democratic columns do not equal the total amounts because some contributors belonged to more than one of the 13 groups, and duplicated amounts have been subtracted in the overall totals. While the Gore Committee list of contributors in 1956 included more state and local committee givers, it is

Because of its significance as the elite group of American business and industry, the analysis of the Business Council is particularly interesting. Fifteen members who gave to some Democratic candidate or committee in 1964 had contributed to some Republican candidate or committee in 1960 (some 1964 members did not belong in 1960 but their 1960 contributions are included). Eleven who gave only to Republicans in 1960 gave only to Democrats in 1964. Six members gave to both parties in 1964. The changing patterns of giving by members of the Business Council (membership has changed too) are shown in Table 22, which illustrates again and over time the changing fortunes of the two major parties.[37]

Analysis of the contributions of officers and directors of the American Petroleum Institute, shown in Table 23 for the same years, bears out the same point, although the appeal of President Johnson as a native Texan where major oil interests are located may modify the point a bit.

While in 1964 Republican fortunes declined also among directors of the American Iron and Steel Institute and the Association of American Railroads, the Democrats did not attract much more money in the former but did substantially in the latter; in good measure this was due to large contributions of one A.A.R. director, Ben W. Heineman of Chicago and North Western Railroad. Thus a single director who makes numerous contributions can shift the pattern of a group. Nevertheless, the trend to business attraction to Democratic campaigns is apparent in many groups.

At the same time, in the National Association of Manufacturers, the National Coal Association, and the Chamber of Commerce of the U.S., the Republicans did better in 1964 than in 1960, without the Democrats faring too well.

Despite the attention of the medical profession to the issue of Medicare, the leadership of the American Medical Association did not appear as large contributors in either 1960 or 1964.

The non-career chiefs of foreign missions and special missions included several appointed by President Kennedy and still in office; unlike 1960, most of these individuals do not show up in the list of appointees of President Johnson, described below.

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not reasonable to explain the differences between 1956 and 1964 in terms of the base of contributors; the explanation must lay in the changing patterns of contributing, as borne out in other indices as well.

[37] The Democratic increase in 1964 is accounted for in large part by contributions of Henry Ford II and Thomas J. Watson, Jr.; for a listing see Herbert E. Alexander and Harold B. Meyers, "The Switch in Campaign Giving," *Fortune*, Nov., 1965, p. 171.

TABLE 22

BUSINESS COUNCIL CONTRIBUTORS AND PARTISAN CONTRIBUTIONS AMONG ACTIVE AND GRADUATE MEMBERS: 1964, 1960, 1956

Year	Number of Members	Number of Contributors	Number of Contributors and Amount of Contributions Rep.	Dem.
1964	118	63[a]	36	33
			$ 87,100	$135,450
1960	124	80	73	7
			$241,060	$ 35,140
1956	161	73	68	4
			$268,499	$ 4,000

[a] Total members includes six split contributors each counted twice, once in Republican column and once in Democratic column.
Source: 1956 data from Gore Committee *Report,* Exhibit 22, pp. 86-88.

TABLE 23

AMERICAN PETROLEUM INSTITUTE CONTRIBUTORS AND PARTISAN CONTRIBUTIONS AMONG OFFICERS, DIRECTORS AND HONORARY DIRECTORS, 1964, 1960, 1956

Year	Number of Members	Number of Contributors	Number of Contributors and Amount of Contributions Rep.	Dem.
1964	137	24[a]	17	9
			$ 48,310	$ 24,000
1960	164	37	34	3
			$113,700	$ 6,000
1956	157	37	37	—
			$171,750	—

[a] Total members includes two splits, each counted twice, once in Republican column and once in Democratic column.
Source: 1956 data from Gore Committee *Report,* Exhibit 22, p. 86-88.

TOP DEFENSE CONTRACTORS. Of ten top defense contractors ranked in the net value of military contract awards July 1, 1963 to June 30, 1964, among members of boards of directors, the following appears:[38]

Year	Number of Members	Number of Contributors	Number of Contributors and Amount of Contributions Rep.	Dem.
1964	138	33	23	15
			$ 45,250	$ 32,000

[38] Defense Department, as cited in *Congressional Quarterly,* June 11, 1965, p. 1133. For results of examining 100 top defense contractors in 1956, see the Gore Committee, *Report,* Exhibit 19, pp. 78-82.

Five of 33 individuals were split contributors. McDonnell Aircraft had none, but all others had some contributors. American Telephone and Telegraph directors favored Democrats, $9,000, to Republicans, $2,000, while Martin Marrietta directors favored Democrats, $7,000, to Republicans, none. General Electric had the largest number of contributors, 10 of 20 directors, and favored Republicans, $17,500, to Democrats, $10,500.

Broadening the Base

Apart from the national Republican mail drive, the Neighbor-to-Neighbor campaign was again in operation in some areas of the country. Designed as a door-to-door drive for small contributions, this program has been very successful in Minnesota, primarily in Hennepin County. The Minnesota G.O.P. derived $364,000 from this source in 1964, collected from more than 60,000 donors; this compares with $240,000 raised in 1964, and $216,000 in 1960. Even in non-election years this drive is very productive. A preliminary audit in Ohio in 1964 also indicated good results, raising in excess of $200,000 from more than 40,000 contributors.

Results of Dollars for Democrats drives in 1964 are unknown excepting for Montgomery County, Maryland, where almost 17,000 contributors donated almost $44,000. The Republican Neighbor-to-Neighbor campaign in this county did about as well as the Democrats, and both did considerably better than in 1960.

VI. LABOR AND BUSINESS IN POLITICS

The growing concern of organized labor and corporate business with registration, get-out-the-vote, and contributions drives continued in 1964. In direct relationships or in parallel activities, labor gave more powerful support to the Democrats than ever before; the Goldwater candidacy drove some normally Republican unions to endorse President Johnson. At the same time, significant elements of the business and financial communities supported President Johnson with votes and money.[1]

[1] Herbert E. Alexander and Harold B. Meyers, "The Switch in Campaign Giving," *Fortune*, November, 1965, pp. 170-2, 211-16; Harold B. Meyers, "L.B.J.'s Romance With Business," *Fortune*, September, 1964, p. 131; and David T. Bazelon, "Big Business and the Democrats," *Commentary*, May, 1965.

Labor

Financial and other relationships of labor with the Democratic national campaign were intimate. The DNC maintained effective labor liaison by hiring W. Don Ellinger, a former COPE area director. Coordination was effected in registration drives but also in financial and other matters, including the allocation of funds to candidates for Congress. The DNC published a weekly *Labor Editors News Service* containing news, commentary and art work of particular interest to union memberships and labor publications. Many labor leaders joined the large contributors in the President's Club as readily as did many business and financial leaders. Some state and local labor groups were split on behalf of moderate Republican candidates, but the national pull to the Democratic ticket was undisputed.

REGISTRATION. Greater emphasis was placed on voter registration by Democratic, labor and Negro groups than ever before.[2] In national-level disbursements, AFL-CIO Committee on Political Education (COPE) spent over $1 million on registration alone, concentrating on marginal Congressional districts.[3] Efforts to match national money were made by locals and through state and local labor councils, but no estimate of total costs is possible. Other unions, such as the Teamsters, carried on their own activities.

The Democratic national command states it spent approximately $500,000 in registration activities in 1964,[4] compared with $200,000 reported in 1960. In addition, President's clubs in Minnesota and California and other Democratic groups not reporting in Washington spent significant sums on registration. Registration activities began in 1963, were concentrated in 15 states, and used refined techniques in cooperation with labor drives. In early 1965, the DNC commenced a registration and partial election law reform campaign in the 50 states, providing detailed information to state legislatures and party officials, but with no references to regulation of political finance.

NEGRO DRIVES. In addition, large sums, not reported in sources noted above, are known to have been channeled into Negro registra-

[2] The RNC planned a special registration effort in 10 major cities before Goldwater's nomination, but it floundered. Republicans did carry out an Operation Eagle Eye designed to prevent vote fraud on election day, which combined with a Ballot Security Program was directed nationally but manned by volunteers locally.

[3] Compared with $535,000 spent in 1960.

[4] One report stated $250,000 of national party money for registration efforts in 12 key states was matched by $500,000 in local funds. *Newsweek*, Oct. 12, 1964, p. 44. Filed reports show national Democrats sent a minimum of $271,222 to 11 state groups for registration purposes. Democrats and labor combined reportedly spent $180,000 in the Los Angeles area alone.

tion drives, particularly in the South.[5] Negro groups have received substantial amounts from quasi-political sources, including *both* labor and corporate sources. One such source appears to have been proceeds from the Democratic Convention Program.[6]

MORE SPENDING. COPE spent almost another $1 million in funds voluntarily contributed by members, and claimed 68 percent, or 264 COPE-supported candidates for Congress were elected.[7] The Teamsters reported spending $270,000 nationally, and numerous locals reporting in Washington are known to have spent at least $113,500 more in local areas. The Teamsters opposed Senator Goldwater without specifically endorsing President Johnson.[8]

COPE made a large nationwide effort focused on the two state and numerous county and city elections to be held in 1965, and sought ways to preserve gains made in registration by preventing a 1966 voter dropoff in worker election districts. In 1965, labor cooperated with Democrats in establishing local campaign committees for Congressmen in marginal districts, and in helping incumbents with travel costs for frequent visits to their districts while Congress was in session.

During 1965, COPE initiated three pilot projects encompassing use of computers to coordinate propaganda, registration and get-out-the-vote campaigns in the District of Columbia-Maryland-Virginia area, in Pennsylvania, and in the San Francisco area. Working with state and local units, the effort has been to automate political action by, for example, programming pertinent information on each union voter and voting-age family members, and to provide so-called walking lists to aid door-to-door canvassing or arrangements for transportation to the polls. In late 1965, elements of labor became concerned when the DNC released from the payroll certain employees active in registration and labor liaison, a situation to be described below.

[5] According to one report, the Negro campaign in the South cost $500,000 and produced 265,000 registrants, mostly in the cities. Charles Bartlett, "Unruly Emotions to Test Vote Bill," Washington *Evening Star,* March 25, 1965.

[6] See above, pp. 40-41.

[7] It was reported that 65 million copies of campaign leaflets were distributed by AFL-CIO, including 10 million copies of voting records of members of Congress. Other labor groups at all levels distributed literature, contributed funds, and volunteered personnel on behalf of candidates.

[8] In 1965, the Teamsters initiated "Operation Check Off," a program in which members sign a voluntary authorization card giving the employer authority to withhold from paychecks Teamster DRIVE membership fees; the employers then forward the political action dues to the local union, and apparently many employers agreed to do so because Teamster lobbyists in Washington cooperate with the trucking industry in seeking certain legislative goals in the Congress.

RIGHT-TO-WORK. Considerable money was spent in various states for and against right-to-work laws. The Right-to-Work Committee declared a budget of $450,000 for 1964, while its opposite, the labor-supported Council for Industrial Peace, budgeted $150,000 to fight such legislation. If these amounts were actually spent as claimed, one must also add considerable amounts raised and spent by proponents and opponents in various states, and among businessmen and labor unions. Following the Johnson victory, one of the first goals labor spokesmen pressed as a reward for having supported the Democratic ticket was a revision of federal law to prohibit right-to-work laws in the states.

RAILWAY CLERKS V. ALLEN.[9] In a refinement to an earlier decision that unions may not exact funds for political purposes from company employees who object, the Supreme Court in 1963 ruled that unions and objecting employees work out voluntarily agreements or double schedules of dues but excuse dissenters from payment of anything to a political fund. Accordingly the union must demonstrate the ratio of political to total union spending and objectors have a right to refuse to contribute to union spending for any political purposes at all. If there are many such objections, then unions would need to divulge more knowledge than is now available of union political activity and amounts spent.

Business

Business supporters of President Johnson included two former Eisenhower cabinet members—Robert B. Anderson and Marion B. Folsom—and other former Republican sub-cabinet officials and White House assistants. Business activity included active supporters and committees for both presidential candidates among Americans living abroad, particularly in Europe.

Polls showed strong business and professional support for the Democratic ticket, and influential members of the Business Council, comprising some of the nation's top executives, endorsed President Johnson.[10] A survey of 600 businessmen, conducted by the Research Institute of America, showed one in three ready to vote for President Johnson, compared with only one in five who were for Mr. Kennedy in a similar poll in 1960. Belatedly, the Republicans formed a Businessmen for Goldwater organization, which advertised business support of Senator Goldwater as a counter to the announced support of individual businessmen for President Johnson. Demonstrated business support for Johnson was so marked that the National Independent

[9] *Railway Clerks* v. *Allen,* 373 U.S. 113 (1963).

[10] See above, pp. 90-94.

Committee for Johnson and Humphrey, consisting of many big businessmen, considered making a massive mailing soliciting funds from businessmen, on the theory that many businessmen, normally Republican-oriented, had never been asked by Democrats to contribute. The size and cost of a mailing and the lateness of time caused the plan to be rejected, despite strong advocacy among certain top Democratic campaigners. Contributors of $1,000 or more to that committee were recognized as members of the President's Club.

BIPAC. For the first time, a political fund called Business-Industry Political Action Committee was organized to support Congressional candidates, financially and otherwise, of its choice and to encourage citizens to be more active and effective in politics. It contributed $203,000 to Republican and Democratic candidates in 86 House contests and 12 Senate races, including some primary contests. Supported candidates won in 40 percent of the House contests and in only one Senate contest.

Forms of Corporate Contributions[11]

The 1964 Democratic Convention Program, as noted,[12] was so successful in raising funds, even if used for restricted purposes, that the Republicans established a Congressional Almanac Committee to publish a program book entitled "Congress: The Heartbeat of Government"; this 1965 publication raised about $250,000 through sales of advertising to corporations at $10,000 per page, and the profits were used to finance the House Republican Planning and Research Committee, certain of its projects, task forces, staff salaries and consultants' fees. In late 1965, the Democrats produced a program book entitled "Toward an Age of Greatness," selling advertising to corporations at $15,000 per page, and clearing profits of about $900,000; this publication was prepared for distribution at a series of Democratic fund-raising movie premieres whose proceeds were to benefit Democratic candidates for Congress in 1966, particularly in districts where freshman Congressmen were up for reelection. Then the Republicans announced their plans for another program book for 1966, saying they were sure some of the Democratic advertisers were their friends too, and they would ask for equal treatment. Recognizing probable immunity because the Democrats were charging exceptionally high prices per page in the 1964 program, and were assembling programs for use for other than convention purposes, the Republicans saw an

[11] This section is not intended to be a catalogue of forms of corporate contributions, but a description of recent practices. For other forms, see Heard, *op. cit.*, pp. 129-135.

[12] See above, pp. 40-42.

opportunity to seek funds heretofore proscribed at the federal level. One of the advertisers in the 1965 Democratic program was Continental Can Company, which is ironic because Lucius D. Clay, a director of the company, is Chairman of the Republican National Finance Committee. Many of the advertisers in the programs of both parties are corporations doing business with or regulated by the federal government.[13]

Several of the Democratic program advertisers are corporations with a high official active as a fund raiser in the President's Club. The Chairman of the President's Club, Arthur B. Krim, is President of United Artists, which advertised in the 1964 and 1965 Democratic programs. The Secretary of the President's Club in 1964 was Neil J. Curry, now deceased, who was Chairman of the Executive Committee of the American Trucking Association, and a political coordinator for trucking interests. He arranged for 16 pages of public service advertising in the Democratic Convention Program at a cost of $240,000, sponsored by 114 trucking companies; Curry also was a director of Avco Corporation, which had one page at $15,000 and the inside back cover at more than $15,000. An active member of the New York President's Club, Francis S. Levien, is President of Universal American Corporation, which had a page ad; Levien also is a director of Paul Hardeman, Inc., a subsidiary of Universal American, which also had a page ad; another subsidiary of Universal American, the Young Spring and Wire Company, also bought a page ad. Avco and Universal American advertised again in 1965.

For another example, Mr. Krim's firm, United Artists, provided some of the films for the fund-raising premieres, and reportedly made a profit from the $1-a-seat fee scheduled for the movie's distributor.[14] Other movie companies advertising in the publications and providing films for the premieres have executives or directors who are active as Democratic fund raisers. Officials of these companies could well defend before stockholders the buying of ads in the program books, since the premieres brought business to the companies. But the illustrations most significantly point up ways in which corporations and politics mix through the political activities of corporate officials—and sometimes perhaps with reference to government policy, not party events as in these cases.

The federal prohibition of corporate contributions is reinforced by a section of federal law which makes it illegal to sell goods or com-

[13] Advertisers in the three publications noted above are listed and cross-indexed in "1964 Political Campaign Contributions and Expenditures," Special Report, Part 1 of *Congressional Quarterly*, January 21, 1966, pp. 62-66. Also see Neal R. Peirce, "Financing our Parties," *The Reporter*, February 10, 1966, pp. 29-35.

[14] Walter Pincus, "Weltner Balks at Fund Book," Washington *Evening Star*, Dec. 13, 1965.

modities—including advertising—if the proceeds inure directly or indirectly to the benefit of any candidate for nomination or election to federal office. These laws have been eroded by practices such as the program books, by court decisions, and by legal interpretations which appear to sanction deduction for tax purposes of reasonable corporate expenditures made in buying advertising in printed journals and convention and fund-raising dinner and event programs controlled by political parties and their auxiliary committees. Federal and state tax collection agencies have permitted business deduction for purchased advertising expenditures if they bear a reasonable relation to the advertiser's business activities.

The Internal Revenue Service has stated that the purchase of corporate advertising space in the official program of a national political convention is deductible as a business expense; "However, to the extent that amounts paid for such advertising (1) are not reasonable in amount, (2) do not bear a direct relation to the advertiser's business, or (3) exceed the advertising value of the space required, they will be considered as contributions to a political organization and are not allowable as deductions for income tax purposes."[15] When the IRS was asked to investigate the disposition of 1964 Democratic Convention Program funds in view of the tax-deductibility of the corporate advertising, to determine what activities the funds were spent on, the IRS responded by indicating the amounts corporations spent for advertising seemed reasonable and the IRS does not concern itself with how the money is spent.[16]

Thus the problem became one for the Justice Department to determine whether the federal prohibition of corporate contributing was being violated. When asked for a ruling on the legality of corporate purchases of advertising for the 1965 Democratic Program book, the Department of Justice reached the conclusion that ". . . the facts within our knowledge do not demonstrate a violation."[17]

Clearly, the standards are difficult to administer and precise criteria

[15] Rev. Rul. 56-343, in Internal Revenue Bulletin (Washington: Government Printing Office, July-December Cumulative, 1956-2), p. 115.

[16] Senator John J. Williams of Delaware, who has pursued the matter vigorously, has remarked: "For nearly 5 years I have been corresponding with the Internal Revenue Service and the Treasury Department regarding the deductibility of numerous politically inspired expenditures. I have been unable in this period to get any categorical answer regarding the tax treatment of many of these amounts. To the contrary, I have received reports from the Service that while political contributions are not deductible, various types of politically oriented [corporate] expenses are deductible in varying circumstances." *Congressional Record*, Oct. 12, 1965, p. 25689.

[17] Letter from Mr. Fred M. Vinson, Jr., Assistant Attorney General, to Senator John J. Williams of Delaware. *Congressional Record*, January 26, 1966, pp. 1166-70.

appear to be lacking since circulation of political journals has traditionally been limited to very few.[18] The Democratic Convention Program and subsequent programs are claimed to have had large distribution, up to several hundred thousand copies, though much of it was unsolicited distribution free to community and school libraries. Distribution of the 1965 Democratic publication fell short of plans when fewer premieres were held than were expected; accordingly, more than 100,000 copies were left over for later distribution through state and local party committees.

Legal interpretations tending to erode federal law are particularly evident with reference to the 1965 Democratic Program. The advertising and public relations firm which prepared that program for the Democrats, Maurer, Fleisher, Zon & Associates, Inc., sought a legal opinion to show to prospective advertisers; the opinion was not prepared by the DNC Counsel, but by a Washington law firm, Corcoran, Foley, Youngman & Rowe, and was signed by Richard C. O'Hare, and dated July 27, 1965. According to original plans, the sponsors of the program book were to be a series of especially-established State Committees on Voter Education and Registration, about which the opinion states: "So far as the legality of a corporate contribution is concerned, Section 610 of Title 18 prohibits corporate contributions or expenditures in connection with any election at which candidates for Federal office are to be selected or voted for. Needless to say any proposed contribution to the Committee would not be in connection with any such election because the Committee purpose is to encourage effective use of the republican process of government without regard to any specific elections, municipal, state or federal." It was not stated how bipartisanship could be maintained when the accompanying premieres were for Democrats and no effort appears to have been made to put Republicans on the proposed registration committees.[19] Moreover, a Democratic National Committee staff member assisted in preparations for distributing the programs to the premieres. Transferring of program profits to the voter education committees became an academic point when substantial press criticism of the intended practice led the Democrats to reconsider the disposition of funds; at this writing Democrats have announced their intention to turn profits over to a foundation for use in bipartisan registration drives in 1966.

Regarding the prohibition of purchased advertising, the opinion

[18] Florida law prohibits advertising in publications or newspapers that (1) are not qualified to carry legal advertising; (2) have been published less often than once a month for the previous three years; and (3) have a circulation of less than 1,000. Moreover, advertising in any club or association bulletin, program, news sheet, magazine, pamphlet or hand bill is expressly forbidden.

[19] See David S. Broder, " 'Education' Funds of Democrats Seen Upstate as Campaign Cash," New York *Times,* Dec. 25, 1965.

holds that that section becomes applicable if the proceeds directly or indirectly inure to the benefit of any candidate for Federal office "or any political committee or other political organization engaged in furthering, advancing or advocating" such a candidate or the success of any political party. "The purposes of the Committee do not encompass this, but are limited to getting people eligible to vote and to getting people to vote without regard to the nature of the office for which the election is to be and without regard to whether the election is partisan or non-partisan." But the opinion did leave one question unresolved for each corporation to make, that is, "whether the amount of the expenditure is reasonable in amount in view of the nature of the company's business and the advertising value of the space acquired. That is a business judgement that each corporation must make and, in general, so long as the benefit to be reasonably anticipated by the corporation is commensurate with the expenditure, the expenditure is deductible in the same way as all other business costs." Many legal counsels of corporations must have concurred because so many corporations did purchase advertising. Apparently there was little fear of serious enforcement of federal law. Thus has the traditionally-sanctioned sale of advertising to corporations for convention program books been turned since 1964 into a major means of financing political support activities[20]—and of diluting federal law prohibiting corporate contributions and advertising.

It is ironic indeed that corporations, which are prohibited from contributing in fact do take business deductions for purchased advertising, while individuals, who many think should be encouraged by government policy to contribute to the party or candidate of their choice, cannot receive tax benefits for their political gifts. And it is an interesting commentary that the Republicans, rather than attack dubious Democratic practices, followed suit; a statement of the Republican Coordinating Committee on election reform, coming at the height of media criticism of the 1965 Democratic Program, failed to mention the developing controversy about corporate advertising in political programs.[21] Numerous newspaper editorials were critical but only Republican Senator John J. Williams and Democratic Congressman Charles L. Weltner, dissented publicly; Weltner rejected use of the 1965 Democratic Program in his district.[22] Certain other Democrats objected but not publicly.

In his State of the Union address on January 12, 1966, President

[20] Various newspaper accounts indicate wide usage of political advertising books at the state level as well. A Republican survey indicated 31 state Republican organizations were using this form of fund raising in 1965.

[21] David S. Broder, "G.O.P. Panel Backs Election Reforms," New York *Times*, Dec. 18, 1965.

[22] "Weltner Rejects Party's Magazine," New York *Times*, Dec. 14, 1965.

Johnson noted need for new legislation regarding political finance, but failed to face up to the meaning of the corporate prohibition.

Another form of corporate contribution was revealed in 1965 in the N.Y. majoralty, which is relevant because there were substantial rumors in 1964 of a similar practice in the presidential campaign. A nationally-chartered bank, which is prohibited by federal law from contributing to candidates for any political office—not just candidates for federal office—is reported to have made a loan to a political committee campaigning for a presidential candidate; even if guaranteed by individual co-signers, this practice is illegal.

Another corporate contribution in 1964, known to this writer, concerned a campaign worker who labored full-time for many months in the presidential campaign while on the payroll of a major U.S. industrial corporation.

Corporate Bi-Partisan Efforts

Once again, numerous corporations undertook bi-partisan campaigns urging their employees to register, to vote, and to contribute. Some business campaigns were directed towards the general public as well.

POLK. One impressive effort to attract new sources of small contributions was made in 1964, although with generally unfavorable results. Former President Dwight D. Eisenhower and his opponent in two elections, Adlai E. Stevenson, jointly signed a letter soliciting contributions for the national parties. An experiment was made through mailing to a scientifically selected geographic sample of automobile owners and telephone subscribers. The idea for an Eisenhower-Stevenson Committee was initiated by the R. L. Polk Company of Detroit, Michigan.[23] A 300,000 sample of 45 million households was used. Special efforts were made in several cities in a media support test, time trend tests were made from July to October, selected special lists were tested, and a business campaign to distribute in-plant solicitation material to employees was conducted. The latter two efforts were the most successful, though getting a late start. Both major parties agreed to the experiments, and special funds were raised for each to assume part of the costs. Some corporations contributed funds to help conduct the appeal. The parties received all contributed funds, amounting to about $30,000.[24]

[23] The Citizens' Research Foundation will publish a separate study of the Polk effort.

[24] The First National City Bank of New York also tried to encourage the public in the New York metropolitan area to give financial support to the political parties, including the Liberal and Conservative parties. In each of over 130 branches, multi-form tickets were available for donors to fill out and hand to

AEROJET. The Aerojet-General program continued to be the most far-reaching and successful bi-partisan corporate in-plant solicitation.[25] Since 1958, when $24,000 was raised for parties and candidates, the effort produced $60,000 in 1960, $97,000 in 1962, and over $136,000 in 1964. In 1964, approximately $66,100 was contributed to Democratic Party candidates, while about $63,800 went to the Republican Party and candidates. The average contribution was $6.85 (much higher than the $4 average of 1962), while 20,000 employees, or 72.5 percent of the firm's personnel contributed.

A total of 64 Democratic candidates received contributions, as well as 22 official and unofficial Democratic organizations, ranging from $10,000 to the DNC to $5 to the Clark County Nevada Democratic Committee. Contributions went to a total of 53 Republican candidates and to 18 various Republican committees, ranging from $10,000 to the RNC to $20 for the Republican organization of Sierra Madre. Goldwater and Miller committees received $11,200, while Johnson-Humphrey received only $4,100; however, Pierre Salinger, nominee for U.S. Senator in California, received $5,350, compared with only $3,400 for his opponent, George Murphy, who won. Governor Wallace of Alabama received $1, while Harold Stassen received $5.

HUGHES. Hughes Aircraft Company inaugurated an Active Citizenship Campaign in 1964. Hughes employees probably established a national record for first year contribution programs, with a total of $86,053 raised. The average contribution was $13.76 each from 6,256 employees; 26 percent of total personnel made contributions. Contributions were designated for three political parties and 99 individual candidates in twenty states. Contributions were received by check, money order, or arranged through payroll deduction forms. All contribution cards were immediately coded to prevent identification of contributors, recorded by data processing, and then placed in locked storage pending a final audit, which was made of every facet of the program.[26]

In a mail questionnaire to employees, which received a more than

tellers, with contributions deducted from bank accounts. Window and counter posters announced the available service, as did spot announcements on a regular news telecast. The parties apparently made no special effort to publicize this service. In a month's time, 89 contributions were made for a total of $733, pointing up once again the problems of raising big money in small sums.

[25] The Aerojet Good Citizenship Campaign can now be seen on film in a brief documentary available from Aerojet. In 1964 also, the Chase Manhattan Bank prepared a 15-minute program posing "the $200,000,000 Question: Who Pays the Costs of Campaigning?"

[26] Hughes Aircraft prepared a documentary film covering the registration drive, political rallies, contributions program, and get-out-the-vote phases of its Active Citizenship Campaign.

50 percent response, returns indicated that an additional 18 percent of employees contributed *outside* the Hughes ACC program; 19 percent contributed through the ACC program *and* outside it; and 64 percent of the total number of employees who contributed in 1964 did so for the *first time*. Thus 44 percent of Hughes employees, both voted and contributed in 1964.

TRW. Thompson Ramo Wooldridge, Inc., conducted a Good Government Program in 1964 which raised $85,700; a cash carry-over from other years brought the fund to $97,970. Of this, $87,000 was disbursed:

To political parties—local, state, and national	$44,000
To candidates, partisan and non-partisan	27,200
To special Democratic and Republican fund raising activities	13,300
To Democratic and Republican Congressional Campaign committees	2,500

Contributors in the TRW program can designate the party or candidate to receive the funds, and alternatively, donors in higher ranges can earmark their funds for the TRW Good Government Fund, which is administered by a Disbursement Committee that apportions funds for all four of the above purposes. A payroll deduction system is used, and more than half of TRW's 32,000 employees contributed in 1964.

G.E. Basing its program on recommendations of the President's Commission on Campaign Costs for bi-partisan solicitation, General Electric conducted its first company-wide program, called "Dollars for Citizenship," to encourage employee giving. The program was conducted at about 200 G.E. facilities. Because of state laws or local circumstances, it was implemented in various ways: some locations conducted in-plant fund drives; others asked employees to mail contributions to a bank, where the contributions could be accumulated and distributed to recipients; and others encouraged employees to send their contributions directly to the candidate or party of their choice. Accordingly, a total estimate of results across the country is impossible, but some indications follow: at San Jose, California, employees contributed $3,704, with the average contribution being $4.40; at Cleveland, Ohio, contributions totalled $3,894, with the average gift of $15.33 per contributor, or slightly more than 50¢ per employee; at a Dallas, Texas, sales office, employees contributed $1,221, with an average gift of $19.38. G.E. notes the program encountered some negative reaction from certain unions, with one claiming that the program would undermine the unions political fund-raising efforts. An-

other union questioned the programs purpose and non-partisan character. Lack of union cooperation has been found in other company programs, particularly where unions have a high degree of political orientation, and conduct fund-raising programs of their own.

OTHERS. If these programs were to reflect the potential in other corporations and industries, the potential significance of bi-partisan solicitation in-plant for the political parties and for campaign financing is obvious. Some company programs, like those of Aerojet and Hughes, are designed to reach all employees. Other company programs penetrate down only to middle-level clerical employees. Without reference to kind of program or degree of penetration, the following companies undertook some fund solicitation in 1964: American Cyanamid, Bell Telephone Laboratories, Champion Paper, Ford, General Electric, Kimberly-Clark, Koppers, Monsanto Chemical, Pacific Gas & Electric, Pittsburgh Plate Glass, Thiokol Chemical, Travelers Insurance Company, TWA, Western Electric, Westinghouse, and Whirlpool.

One published estimate indicated U.S. companies were expected to raise up to $2 million through bi-partisan programs, not counting the individual contributions made by many corporate officers or rank-and-file labor union members.[27] The Democratic State Central Committee of Michigan issued a summary of Employee Citizenship Participation Programs in that state, which itemized Democratic receipts from various company programs, summarized as follows:

	Number of Firms	*Number of Participating Employees*	*Total Contributions to the Democratic Party*
1964	16	1,359	$24,015
1965	14	1,199	$24,529

In the Michigan survey, some companies did not conduct a program in 1965.

A survey of selected businessmen who are subscribers to *Harvard Business Review,* showed in 1964 that 54 percent of respondents had contributed money to political activities in 1962, the same percentage that had indicated having given in 1958, according to a similar earlier study. Answers indicated that 15 percent of companies in which respondents worked encouraged campaign contributions by employees in the 1959 survey, whereas 21 percent so indicated in the 1964 survey.[28]

[27] *Time,* October 9, 1964; it is not known how *Time* computed the estimate.

[28] Stephen A. Greyser, "Business and Politics, 1964," *Harvard Business Review,* September-October, 1964, pp. 22-24.

VII. THE AFTERMATH

The aftermath of an election exposes the strength and resiliency of each party. Considerable attention focused on the financial state of the two major parties in 1965.

The Republicans

Republican moderates protested the existence of a surplus while so many party candidates had been defeated, some perhaps for lack of money. There were charges that the Goldwater faction in control of the national campaign had not supplied the Senatorial and Congressional Campaign committees with promised funds and had secreted funds to ensure their continued control of the party machinery.[1]

In rebuttal, RNC Chairman Dean Burch replied that too much money had come in too late in the campaign to permit spending to achieve a reasonable impact. He said it was not his function to get rid of money just so as to end up even. Senator Thurston B. Morton, Chairman of the Republican Senatorial Campaign Committee, came to his defense, as did Congressman Bob Wilson, Chairman of the Congressional Campaign Committee. Both indicated no lack of cooperation between the RNC and Congressional committees.[2]

The various published stories indicated the Republican surplus ranged anywhere from $500,000 to $1.8 million. The cash position of the National, Senatorial and Congressional committees as of January 1, 1965, was $457,000. The Treasurer of the RNFC claimed a year-end surplus of $500,000, no doubt a rounding out of the cash position. Official reports filed in January indicated about $1.4 million more income than outgo.

The various figures are misleading unless one recognizes that part of the Republican surplus included funds raised by the National TV for Goldwater-Miller Committee and the Citizens for Goldwater-Miller, both Goldwater-oriented. Dispute developed as to how much the TV Committee surplus was, when an amended official filing in January, 1965, indicated $600,000 more spent than originally reported. This still left that Committee about $500,000 surplus.[3] While contro-

[1] Perhaps as a sop, the Goldwater leadership provided funds for the recount and legal expenses in the Nevada Senate contest between Democrat Howard W. Cannon and Republican Lt. Governor Paul Laxalt. Cannon won the recount.

[2] Filed reports indicate Republican allocations to candidates for Congress were slightly higher than in 1960.

[3] During the campaign, the TV Committee, under the letterhead cover of Mothers for a Moral America produced at a cost of $65,000 a film documentary entitled *Choice*, which dealt with American morality, or the lack thereof. Goldwater disapproved of the tone of the film and some shocking scenes, and only a few local showings were ever made. After the campaign, the TV Committee produced a pilot film, also never telecast widely; see above, p. 59.

versy raged over whether Dean Burch would continue as Republican Chairman, there were reports the Goldwater faction was utilizing the TV Committee surplus as a lever to help retain Burch. Apparently calls were made to some state finance leaders suggesting that the surplus might not be available for national purposes if Burch were forced out of office. A meeting of the Executive Committee of the RNFC on December 19, 1964, supported the leadership of Burch and brought reports that one member was delegated to seek support of large contributors for the retention of Burch. Burch himself later wrote members of the RNC that his repudiation could mean the loss of some of the Republican financial base.[4] In some ways the stories of Republican surpluses seemed timed to help the Goldwater forces retain control of the RNC. The controversy was terminated by the agreement of Dean Burch to step down and Ray Bliss to assume the chairmanship; Burch accepted $8,200 in severance pay. The RNC never received the TV Committee funds; Barry Goldwater urged that the money be returned to donors, but it apparently was not. Goldwater accepted $50,000 from the national party to help pay for office and staff to answer his correspondence, while the surplus the Citizens for Goldwater held, amounting to more than $200,000, was not turned over to the Republican Party either. During 1965, a few disbursements were made; $8,000 to Tom Van Sickle, who ran successfully as the candidate of the conservative faction for the presidency of the Young Republican National Federation; $5,000 to Friends of (Texas Senator) John Tower, up for reelection in 1966; $5,000 for the by-election campaign of U.S. Congressman Albert W. Watson (S.C.), who switched from the Democratic to the Republican party and won reelection. The Citizens Committee also reported $23,000 in contributions in 1965. Finally, it was announced that more than $200,000 in funds would be used to help conservative Republicans seeking reelection to Congress in 1966.[5]

Upon retiring, Chairman Burch called for a $250,000 increase in the research budget; additional amounts beyond those adopted to finance the Republican Coordinating Committee; an additional $100,000 to staff ten task forces; a $100,000 public opinion survey on national issues and a profile of the motivations of Republican workers; increases in spending for public relations and a field staff to assist local committees on registration, fund raising, and other activities. He also suggested that volunteer contributions be sought in a "buy a brick" campaign to construct a permanent headquarters for the Republican

[4] "Text of Dean Burch's Letter to GOP," New York *Herald Tribune*, January 3, 1965.

[5] Walter R. Mears, "1964 GOP War Chest to Back Conservatives," Washington *Post and Times Herald*, Dec. 23, 1965.

Party in Washington[6]—an endeavor which the Democrats could well consider conducting simultaneously. The Burch proposals were ambitious and some were partially adopted; in part or in whole they would contribute to the nationalizing and institutionalizing of party politics, now evident also in aspects of Democratic operations, and perhaps a portent of the future.

For 1965, a bare-bones minimum budget of $2.7 million was adopted, but a larger victory budget of $4.7 million was projected if funds were available. Actually, $4.2 million were raised—an increase of $1.5 million over amounts raised by Republicans in 1961—while decreasing by only $100,000 the post-1964 cash balance.[7] And this was accomplished despite Dean Burch relinquishing control. The Republican Sustaining Fund was projected at $1.2 million for 1965, and $1.7 million were received; about 3,800,000 fund-raising appeals were mailed, at a cost of $425,000, and about 140,000 individuals contributed in sums under $100. Comparing 1961 and 1965, the difference in income is attributable to the mail drive.

Upon assuming the chairmanship, Ray Bliss introduced strict economy measures, going beyond those Burch had initiated following the election. Bliss also reorganized and tightened control over some national party activities, such as the Young Republican National Federation. The national party gave little direct monetary but some other assistance to Republicans running in 1965 for state and local offices. Congressman Watson received $5,000 in Booster Club funds, $5,000 in Congressional Campaign Committee payments, and about $10,000 in polling services and for the salary of a field worker supplied by Washington for his reelection campaign. And Congressman Prentiss Walker received $2,500 for legal expenses in meeting the challenge to unseat him and others posed by the Mississippi Freedom Democratic Party.

Following the November, 1965 elections in which Republicans saw some signs of revival in New York, Philadelphia, Louisville and other areas, Ray Bliss announced intensified efforts in big cities and budgeted funds for 1966 to finance the urban offensive. Republican plans were fortified by surveys finding the Democrats losing some support

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[6] Burch also proposed for 1968 that the two major parties share equally the anticipated $6 million cost for joint hour programs on three networks, in half-hour segments for each party, in each of eight weeks before election. Debates could take place within this framework, and presumably there would be no other paid broadcasts by the presidential candidates or national parties. Dean Burch, "Presidential Campaigns are a Sham," *Saturday Evening Post*, March 27, 1965, p. 14.

[7] The $4.2 million figure includes Booster Club funds stored for use in the Congressional elections of 1966. For 1965 receipts and expenditures at the national level, see *Congressional Quarterly*, Jan. 14, 1966, p. 41.

in Northern urban areas,[8] and came at the same time that Democrats were cutting back their urban, registration, and labor staffs.

In the aftermath of the election, the Republicans went for months without a national finance chairman. J. William Middendorf remained treasurer, signifying continuity in the broad-based finance effort.[9] Even Bliss had difficulty finding a finance chairman, offering the position to several who turned it down, until reluctantly, Lucius D. Clay, accepted. At the same time, D. Langhorne Washburn replaced Frank Kovac as Finance Director.[10]

Bliss and Clay sought to centralize control of Republican fund raising and to win back some lost contributors. As he had difficulty with Goldwater-oriented committees, so Clay also found it hard convincing key Congressional leaders that unified fund raising would bring in as much money, and that the RNC could assure the financing of the Congressional committees. For example, before he assumed office, the Congressional Campaign Committee had sent a desperation plea for funds to prevent drastic staff reductions; though $60,000 resulted within a few weeks, this kind of stop-gap financing, duplicating other efforts, was roundly criticized. The Republican Congressional Boosters Club, a separate effort patterned on the President's Club, sought 2,000 members at $1,000 each, with funds earmarked for marginal candidates for Congress in 1966, and its funds were not available for Committee expenses. The Boosters presented a particular problem because of its relative success in attracting $600,000 toward its $2 million goal.

In early 1966, Republicans decided to organize 11 regional finance networks between national and state committees, and to combine Congressional Booster and general party appeals to large contributors. The Republican impulse to unified fund-raising campaigns was be-

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[8] David S. Broder, "G.O.P. Study Finds Johnson and Party Slipping in North," New York *Times,* January 2, 1966.

[9] William L. Warner, veteran Director of the Republican National Committee, who started the Sustaining Fund in 1962, did not return after the election.

[10] Washburn had been Executive Director of the Republican Congressional Boosters Club. Kovac left in a blaze of publicity, though he had been planning for months to resign. The Kelly-Kovac caper concerned parts of a list of large contributors, IBM plates, some master keys to desks at the RNC, and some prints of a film entitled *Choice,* all supposedly missing, and all reportedly found by William C. Kelly, an assistant to Ray Bliss, in Kovac's office. Kovac charged his desk drawer had been forced open and his "constitutional rights" affronted. Whereupon Kelly was fired and it was later revealed that a $3,000 contribution of his was returned. It was later alleged that certain RNFC mailing lists had been exchanged for lists of other organizations and companies, with the implication that some lists may have been sold for private or party gain and some may have been made available to right-wing splinter groups. The truth has been obscured by charge and counter-charge.

ginning to reassert itself after breaking down with the advent of the Goldwater and right-wing splinter movements.

The Democrats

In early December, the Democrats announced their 1965 Inaugural Gala would be sponsored by the DNC and campaign workers and members of the President's Club would be invited free. At that time John Bailey said it appeared that the Democratic receipts and expenditures were about even for 1964. By mid-January, Bailey complained of "a sort of a little financial deficit."[11] At the meeting of the National Committee at Inauguration time, the Treasurer of the DNC, Richard Maguire, gave no indication other than to say that the books were currently being audited. Later, Democrats claimed a $1 million deficit, though conceding they were not really hurting.[12]

An irreverent observer suggested that the Democrats had milked their contributors so dry that they were ashamed to charge even $100 to party functions at Inauguration time. It was considered a good investment to invite President's Club members, who were pleased to be invited without having to pay. The Inauguration Gala, plus the dinners preceding it for members of the President's Club and for Texans cost thousands of dollars.[13] Free invitations to the Gala indicated Democratic confidence that 1965 would bring new funds, and within a month letters soliciting Club renewals were mailed.

A treasurer's report to the National Committee was promised by Chairman Bailey but never submitted.[14] Accordingly, the full story of the 1964 campaign and its aftermath cannot be told in precise financial terms, as was the Republican campaign. For example, the 1964 deficit of about $1 million was rumored from mid-1965 on to have increased to about $2 million, and later a $1.7 million figure was widely used. There were contrary evidences of high levels of post-election spending and of continuing debts and bickering about bills; many bills paid in September, 1965, were incurred during the campaign, including $100,000 to the Democrat's advertising agency.

The Democrats applied pressure for but were unable to get a $48,000 surplus of the National Independent Committee for Johnson-Humphrey, a surplus remaining because certain television time had

[11] Joseph A. Loftus, "Democrats Form Negro Vote Unit," New York *Times*, Jan. 20, 1965.

[12] Doris Fleeson, "Johnson Plays Down Party Politics," Washington *Evening Star*, Feb. 16, 1965.

[13] The Gala alone cost about $40,000; hotel bills, mostly for the Inaugural period and amounting to more than $70,000 were paid in September, 1965; at that time also, D.C. Transit received payments of $24,500 for buses used during the Inauguration.

[14] Written Report to the DNC, dated January 19, 1965. DNC *Press Release.*

not been used. A 14 percent pro-rated refund was returned to donors on the grounds that the money had been contributed to promote the candidacy of President Johnson, and not for Democratic Party use. Since many contributors were nominally Republicans, consideration also was given to turning the money over to one of the post-election Republican moderate organizations, but the same arguments against this policy prevailed. As seen, the Republicans also failed to get certain Goldwater committee surpluses into Republican Party coffers.

Belatedly—five months after the election—and with reluctance, after bickering and apparent negotiation because the bill was so high, the Democrats paid the Air Force for use of presidential aircraft in connection with the 1964 campaign. A Pentagon accounting showed sixteen separate charges totaling $149,019, and the Democratic payment apparently was pre-dated two weeks before actual delivery. Later $2,019 was paid for use of military helicopters. A cloud of bickering also surrounded payment in May, 1965, of $45,000 for the "Lady Bird Special" campaign train. These late payments gave evidence the DNC was sitting on certain debts,[15] but austerity was not being practiced in other regards. In January and February, 1965, funds were sent to various state organizations, and in February the DNC announced that a staff of writers and publicists had been retained to help Congressmen prepare constituent newsletters, press releases, speeches and scripts, to coach Congressmen on media and public relations techniques, and to help disseminate materials to constituents by mail, teletype, and voice recordings.[16] Some of these programs had been available for incumbents in 1964. A weekly 15-minute radio program was offered to stations willing to carry the show.[17] Although these programs were undertaken with the cooperation of the Senatorial and Congressional Campaign committees, these committees continued to subsist in part on grants from the DNC, and the interests of the White House in the Congressional arena seemed to be well-protected until disputes over disposition of funds broke out in late 1965, as will be seen.

Following the election, the Democrats had reduced staff sharply from the campaign level, but DNC personnel numbered more than the pre-1964 size. Salaries of key personnel were raised substantially following the election. However, at the end of 1965, about a year later than expected, the DNC staff was cut back considerably as key operatives in the urban, registration, organizational, and labor liaison areas left the payroll; Samuel C. Brightman, long-time Deputy Chair-

[15] In Fall, 1965, American Airlines was paid $175,000 and Butler Aviation, $16,400; other evidences are scattered in this section.

[16] New York *Herald Tribune,* Feb. 25, 1965.

[17] *Broadcasting Magazine,* March 22, 1965, p. 88.

man for Public Relations, also left. Some had planned to resign, but in some cases it was not clear whether they resigned or were asked to leave; some received pink slips. In any case, money was not coming in as fast as desired, and fund raising had taken a downturn while President Johnson recovered from his operation and Vice-President Humphrey remained in Washington. Many of those leaving had been Kennedy appointments, and now Johnson operatives clearly took command. The DNC said it was not downgrading these functions, but shifting them to other auspices. For example, it was planned for the urban and registration activities to be carried on by the Democratic-controlled state registration and voter education committees organized to sponsor the 1965 program book (though this soon became questionable when explorations began concerning the transfer of program funds to a foundation to conduct bi-partisan registration drives in 1966). Charles Roche, who handled Congressional relations and support activities, transferred to the White House Congressional Relations staff. The rest of the Congressional-assistance staff remained largely intact at the DNC, and in fact was earlier supplemented by a computer installed at a cost of $5,000 per month and requiring a staff of 15 persons drawing salaries totaling $11,000 per month.[18] The computer was designed to handle finance, organizational, and publicity functions, but perhaps its most far-reaching significance lay in its ability to handle selective news-letter and other mailings in the Congressional-assistance program.

Among those departing the DNC at the end of 1965 was Richard Maguire, the Treasurer, whose policy of secrecy clouded the victory of 1964 by raising suspicions about many aspects of Democratic operations, for Maguire's influence was felt in other than finance areas. In the long run, a policy of secrecy proves self-defeating, for it serves to make a mystery of financial operations, thus focusing more attention on them than otherwise. While Maguire contributed to the development of the President's Club, galas, and to the policy of larger and more expensive political advertising books, the Sustaining Fund and Dollars for Democrats programs were permitted to languish, and no visible efforts were made to seek legislative change. An ineffective contest was initiated in 1965 to enlarge the Sustaining Fund; results were desultory and veteran party workers were awarded the prizes. Little new blood was infused from mailings of 300,000; from June to December, the DNC claimed about 16,500 sustaining memberships, though not all participated in the contest, and some gave more than $10. While Maguire's fund-raising innovations were controversial, he left a sizeable deficit; perhaps his influence in spending policies, in

[18] David S. Broder, "Democrats Boast a Completely Automated Political Machine," New York *Times,* Nov. 29, 1965.

the Congressional-assistance and computer programs, will prove more salutory in the long run. The finance functions were taken over by an Acting Treasurer, Clifton C. Carter, Executive Director of the DNC, who added day-to-day guidance of finance to his organizational responsibilities.

During 1965, DNC filings with the Clerk of the House not only failed to illuminate the financial darkness, but provoked new questions. From January to June, official reports showed $1.3 million more spent than received. Where the excess funds came from remains a mystery since 1964 filings did not show large balances or excess income. No reported loans or transfers from state or other committees account for the excess, which the DNC could not have legally held in 1964 and stayed within the $3 million committee limitation. For the remainder of 1965 after a successful Democratic Congressional Dinner in June which netted a reported $800,000, the Senate and Congressional Campaign committees failed to receive their full shares, though the DCCC did receive $50,000 of President's Club funds in October. The DNC then filed the dinner receipts as its income, to help balance the income and outgo for the 1965 filings. This was an unusual practice since the special dinner committee established to receive the dinner funds had been created as a local committee in the District of Columbia, not required to report under prevailing interpretations of federal law. In 1964, a similar committee organized for a similar dinner did not report.

The President's Club for Johnson Committee continued operating in 1965, and it reported spending $560,000 more for the year than it took in. Payments of $820,000 were made in September 1965, many seemingly for expenses incurred during 1964 or in January 1965 at the Inaugural Gala and Dinners.[19] Since this committee did not file before 1964, and reported receiving and spending $2.7 million in 1964, it could not have legally retained $560,000 from 1964 and stayed within the $3 million committee limitation. Thus the source of its expenditures in excess of its receipts remains unknown, since filings do not itemize the origins of the funds. The lack of credibility in some Democratic filings is without precedent in recent years.[20]

Johnson's Appointments

Traditionally, large contributors and fund raisers receive a share

[19] In addition to the Gala, hotel, bus and advertising agency payments referred to in this section, payments were made to: Chesapeake and Potomac Telephone Co., $75,000; Western Union, $22,000; Railway Express, $10,000; Q-TV, Inc., $21,500; IBM, $12,800; various printing bills, $180,000; Campaign Aids, $107,000.

[20] For 1965 receipts and expenditures at the national level, see *Congressional Quarterly,* Jan. 14, 1966, p. 41.

of the spoils. In the Kennedy and Johnson Administrations, numerous financial supporters received what has been called "political non-jobs," which are defined as bestowing ". . . the status symbols of high office without the job itself."[21] These are honorary positions ranging from membership on White House commissions to that of special representative of the President at foreign ceremonial functions to being honored members of inspection tours at missile ranges.

But appointments requiring Senate confirmation are another matter. Many appointments of President Johnson during 1964-65 were given to professors, technical experts, and public servants, most of whom probably could not afford large contributions. Many diplomatic appointments were given to career officers; an analysis of a list of chiefs of missions and special missions was given in Table 21.

The proportion of large contributors among Johnson appointees is not great. Of 187 major appointees,[22] only 24 were found to have contributed at least one sum of $500 or more in the 1964 campaign. Contributors among appointees are listed in Appendix C; all gave only to Democratic causes, unlike in 1960 when some Republican contributors were appointed to office by President Kennedy. The analysis for 1964 is partly unfair because many Kennedy-Johnson appointees who remained in one government position did contribute in 1964, but are not listed as new appointees; whereas some appointees, such as Sargent Shriver, only moved from one government job to another, but are listed. Other government appointees may not appear in the analysis though they may have contributed less than $500 by buying tickets to Democratic party events, for which there were continuing reports of considerable pressure put on higher-level appointees to buy tickets or make contributions.

VIII. THE FINANCIAL FUTURE

With the Democrats in power everywhere, their ability to obtain funds would seem to be greatly enhanced. Yet despite significant financial support from certain Republicans in 1964, and national money secreted in the states, they still raised and spent less than did the Republicans at the national level. President Johnson sought successfully to broaden his voter appeal without simultaneously trying to broaden his fund-raising appeal. In particular, the growth of the

[21] Don Oberdorfer, "The New Political Non-Job," *Harper's Magazine*, October 1965, p. 108.

[22] Listed by *Congressional Quarterly* in various issues, particularly Nov. 13, 1964; May 14, 1965; June 25, 1965; and September 24, 1965.

President's Club, in some respects paralleling the so-called Establishment, came at a time when the Republicans nominated a candidate with limited appeal to certain regular contributors. This confrontation between a consensus and a non-consensus candidate may not be repeated often, yet in recent years the Democrats have shown little initiative in developing a wider financial constituency to match their wide voter constituency.

Assuming continued emphasis on the President's Club, galas, and fund-raising events at which the President and Vice-President will speak, Democrats will focus their financial attention on the 1966 Congressional elections and on the states. The stakes in Democratic Party control are now so high in some areas of the country that factional fights for control can be expected, and will be costly. New York, California, Texas, and Michigan are already battlegrounds, and with Democratic ascendancy, there may be others. In key states, the weight of the party financiers may be crucial. The nationalizing tendencies inherent in the President's Club operations in the states will be worth watching, while the inevitable pull and tug between Club managers and state-oriented finance managers could turn into major battles in the larger states. With the national Democratic Party claiming deficits, yet continuing to rely so much upon large contributions, particularly from New York and California, there undoubtedly will be tension in 1966 when each state will have a costly gubernatorial campaign that surely will decrease amounts national can draw from these two major areas of concentrated wealth.

The Democratic stake in retaining the many marginal Congressional seats won in the Johnson landslide suggests that if available large sums will be spent for their retention in 1966. The rationalization of national Democratic Party financing is still in process. Under President Kennedy, separate Congressional dinners were eliminated and national fund raising was centralized, with the DNC responsible for supplying funds to the Capitol Hill committees. Under President Johnson these committees once again held their annual dinner. But the DNC continued to supply other funds and in imaginative ways provided important services: for incumbent Congressmen, by helping with transportation costs; during the 1964 campaign by giving candidates for Congress time at the end of paid presidential broadcasts; by releasing secreted funds in certain states, intended for use in the presidential campaign, but diverted to help Democratic Congressional candidates when it appeared the money would not be needed for the presidential campaign; by automating broadcast relay, telephonic, computer, and other facilities for use particularly by freshmen Congressmen. Whereas in the past Senatorial and Congressional Campaign committee disbursements to candidates had been made to bolster the

Democratic leadership in each House, sometimes as against a President of the same party, during and after the 1964 campaign disbursements to candidates increasingly were made with an eye to the interests of the White House; most services were supplied through the DNC and not through the Capitol Hill campaign committees at all. By late 1965, however, there was increasing disenchantment over the arrangement whereby the DNC provided funds to these committees, as well as staff, computer, and other services; the DNC has sought to deduct a portion of the costs of these services from amounts promised. The White House apparently seeks more control over the distribution of funds to candidates for Congress: there are indications of a system breakdown and increasing expectations that each committee will raise its own funds. The DNC money may be distributed to Congressional candidates separately on a basis of rewards for supporting the Administration.

The Democrats went into debt in 1964 because they stepped up their aid to candidates for Congress and to the states for registration. Continuation of these programs will keep spending at high levels, if funds are available. During 1965, labor continued its close ties with the Democrats and coordinated its own Congressional assistance and registration programs to abet theirs; by late 1965, differences between labor and the Democrats over major legislative policies affecting labor and the economy, and over staff capabilities and party intention at the DNC (following the staff exodus and continued pleading of deficits), threatened to disrupt the apparent harmony. Efforts in the civil rights movement to register more Negro voters should give Democrats comfort, and there is increasing evidence of overt party assistance to Negro registration efforts in the South.[1] In addition, the Democrats have an asset money cannot buy—the ability to attract public attention via mass media through the forums of public office which the Democrats now control so overwhelmingly.

Campaigning is especially expensive for the challenger, and fund raising is normally difficult for a party largely out of power. Yet despite heavy electoral losses, in some ways the Republicans were in better financial shape following 1964 than they were after 1960. Their ability to raise funds was demonstrated, and their base was broadened remarkably, in the adverse circumstances of the intervening years. The RNC was not saddled with a deficit. The large number of contributors in 1964 gave the party a larger potential financial constituency than any ever had before. Some observers contend that the outpouring of Republican money in 1964 was basically for furthering the conservative movement in this country, rather than for helping the Republican Party, and that it came from a relatively small base of

[1] "Target: New Negro Votes" in Washington Report, *Life*, April 2, 1965, p. 50.

active and enthusiastic conservatives. Whether true or not, only time will tell, but clearly the RNC had built a solid list of sustaining members before the Goldwater candidacy, and undoubtedly is attracting some of his contributors. Mail solicitations to 1964 contributors and new lists continued to bring highly satisfactory results in 1965. National-level party receipts were at record levels, thanks to the mail drive for smaller contributors.

Of equal importance is the relative decline in Republican dependence upon large contributors. By most indices in this study, Republican contributions in sums of $500 and over have notably decreased at the national level since 1956—from contributors of $10,000 or more, from members of 12 prominent families, from leaders of 13 selected groups. Some maintain some lost money from these and other sources is now being spotted to candidates and committees, particularly in the South, not required to file official reports with the Clerk of the House. Some maintain the conservative and right-wing movements have drawn off funds, though clearly much of their financial support has been and will remain outside the two-party channels.

Republicans need large sums to compete with the Democrats, who now control the presidency, both Houses of Congress, and two-thirds of the State Houses. It will be costly for Republicans nationally to agree on how to reshape their image and then to do it. The various calls for a mid-term convention, for an advisory council, and for radio-television and other programs to help recast the Republican image would certainly be costly, however productive politically. In the 1965 budget, money was provided for revitalizing the party. It was agreed to finance a Republican Coordinating Committee, a new policy arm including a membership composed of the National Chairman, Congressional leaders, Governors, and former presidential candidates, and more than $25,000 was made available in its first year. But efforts to match Democratic staff assistance to incumbent Members of Congress lagged behind.

Unified fund-raising through the Republican National Finance Committee broke down in 1964. Multiple solicitation took place because the polarization of conservative Republicans (behind Goldwater) and moderate Republicans (behind certain statewide and local candidates) magnified the importance of the soliciting agency, and funds were not as effectively raised or shared as is normal through united finance committees. This diversity carried into 1965, when many Republican agencies competed for funds. The Republican Associates (a RNC program) and the Congressional Boosters Club both sought large contributions; the Congressional and Senatorial Campaign Committees each planned to sponsor separate fund-raising events in 1965 until the Congressional group agreed to cancel theirs. The RNC Sustaining

Fund sought small sums, as did appeals for the Congressional Newsletter. By early 1966, some semblance of financial unity appeared possible, but only after heroic efforts on the part of Ray Bliss and Lucius Clay.

Some Republicans prefer to support financially the nine moderate organizations grouped in the Council of Republican Organizations, each with its own membership and program. Following 1964, these groups became more active, and one, called Republicans for Progress, was organized during the election campaign as the Committee to Support Moderate Republicans, to generate creative and constructive ideas for party members in Congress. At least three such groups are known to have sent fund-raising mailings to similar lists of persons.

At the same time, right-wing groups sought to expand their fund-raising activities. The John Birch Society announced a goal of $12 million before the 1966 elections,[2] and reported attaining half of it by early 1966. A new American Conservative Union sought $400,000.[3] And so the spectrum was dotted with organizations of all shades and varieties, all seeking funds, some pointing their efforts toward independently influencing the nomination and election processes, some seeking to promote conservatism in the Republican Party. Most focused on the 1966 elections, while several of the Goldwater citizens committees were reorganized into permanent bodies. By May, 1965, the Republican leadership complained that competing splinter groups were diluting the sources of party income.[4] Later, Barry Goldwater supported the establishment of a Free Society Association, purportedly organized for conservative educational purposes and not for political activities that would compete with the Republican Party; Goldwater personally solicited funds for the FSA. Some conservative groups seem to have been formed to exploit the momentum and lists of contributors gathered in the Goldwater movement. Efforts of the National Republican Party to divorce itself from ultra-conservative elements would probably encounter some financial difficulty because of the demonstrated fund-raising ability of Goldwater enthusiasts, who can withdraw support of the party at any time.

Clearly, the major problem for the Republicans will be to control the diffusion of energy and money within the mainstream of American thought and to channel diverse efforts into meaningful political action.

Thus are the finances of the two major parties variable. Both seem capable of maintaining themselves. Though the Republican financial

[2] John W. Fenton, "Birch Society Seeks $12 Million for '66 Campaign," New York *Times,* March 8, 1965.

[3] Sterling F. Green, "Conservative Group Sets Up Headquarters, Reveals Aims," Washington *Evening Star,* March 19, 1965.

[4] John D. Morris, "G.O.P. Terms Splinter Groups a Drain on the Party's Income," New York *Times,* May 28, 1965.

base is larger and more solid through time, funds are being drawn off in factional fights. The Democrats have the advantage of dominating both the executive and legislative branches of the Federal government, but they may well suffer financially for failure to seriously court the small contributor. The trend to corporate contributions through advertising in program books is clear on both sides, though adverse reaction may cause a halt to further plans for them. The Democrats have not refrained from undertaking expensive activities, while simultaneously complaining of deficits. Clearly, money at the national level is scarce and more could be usefully spent that can be raised. Following the campaigns of 1960 and 1962, both national parties had sizeable debts. The Democrats in late 1964 and throughout 1965 have claimed a deficit. The Republican surplus following the Goldwater campaign, combined with record receipts for an off-year following a presidential election, kept the national party solvent while the Congressional Boosters have accumulated some funds for 1966 elections. But neither party has clearly demonstrated its ability to store up much of a war chest in advance of actual needs during a campaign, or to maintain consistently high levels of expenditures.

Following the 1964 election many voices were heard calling for shorter campaign periods, including surprisingly many Republicans, with both Goldwater and Miller leading the call. The advantages of incumbency are obvious and challengers have difficulty competing for a fair share of the microphone or the TV camera. With Democratic dominance in Washington and the statehouses, it would seem the challengers will need as much time and money as they can get to project themselves and their views. Republicans will need to campaign continually to reach levels of competition worthy of a two party system. If competition increases and continual campaigning, patterned on politics in other democracies, comes into vogue, political costs could get even higher.

IX. THE ISSUES OF PUBLIC POLICY

In 1961, President Kennedy established a nine-member bipartisan Commission on Campaign Costs, which reported to him in April 1962.[1] With some exceptions, the Commission advocated the course of expanding the financial base of support for the parties. President Kennedy twice proposed the legislative recommendations of the Commis-

[1] President's Commission on Campaign Costs, *Financing Presidential Campaigns* (Washington: Government Printing Office, April, 1962).

sion to the Congress,[2] but President Johnson failed to follow through in any known respect for two years, until he stated in his 1966 State of the Union address the following:

> As the process of election becomes more complex and costly, we must make it possible for those without personal wealth to enter public life without being obligated to a few large contributors. Therefore, I will submit legislation to revise the present unrealistic restrictions on contributions; to prohibit the endless proliferation of committees, bringing local and State committees under the act; to attach strong teeth and severe penalties to the requirement of full disclosure of contributions, and to broaden the participation of the people, through added tax incentives, to stimulate small contributions to the party and to the candidate of their choice.

The specific recommendations have not been made public at this writing. President Johnson also proposed a four-year term for U.S. Representatives, a recommendation with significant implications for political finance.

The President's Commission proposed a system of limited tax credits and deductions for political contributions, designed to give an incentive to the potential donor.[3] A tax deduction in another form passed the Senate, but not the House. Some businessmen have favored the proposals; however, organized labor has opposed aspects of the plan.

During 1964, in lieu of debates between the presidential candidates, the Democrats appeared willing to pay for whatever broadcast time they desired, so long as this forced the Republicans to do likewise. Accordingly, Section 315 of the Federal Communications Act was not suspended for the presidential and vice-presidential campaigns; political broadcast costs for these offices were substantially higher than in 1960; and no steps were taken to alleviate financial pressures on the parties resulting from the high costs.

The President's Commission recommended a limited subsidy to provide federal funds for the President-elect and Vice-President-elect to cover certain expenses from Election Day until Inauguration Day.

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[2] Legislative Recommendations of the President's Commission on Campaign Costs, transmitted by the President to Congress, May 29, 1962, and April 30, 1963.

[3] As a result of a President's Commission recommendation, the Internal Revenue Service made a ruling authorizing federal tax deductions for expenses incurred by a corporation or business as part of an impartial effort to encourage employees or the public to register, vote, and work for and contribute to the party of their choice. Rev. Rul. 62-156, in *Internal Revenue Bulletin* (Washington: Government Printing Office, Sept. 24, 1962), pp. 7-10.

This proposal limits financial pressures upon the parties at a time following a campaign when there may already be deficits to pay off, by permitting the Federal government to assume limited costs for the new President in selecting and assembling his administration and in preparing to assume responsibility for government. Legislation to effect this change passed both Houses of Congress and was signed into law by President Johnson. Funds were thus available for paying salaries of the Vice-President-elect's staff during the transition period, permitting Senator Humphrey to resign his Senate seat to allow the early appointment of his successor.

The Commission failed to endorse the concept popular in other democracies that registration and voting drives are proper or exclusive functions of government.[4] Yet if financial pressures on parties and candidates are to be relieved in America by other than tax incentives, the next step will likely be in the direction of government assistance in bipartisan registration and voting drives. Labor unions and corporations have undertaken registration programs which, though selective, help to reduce direct party costs.

President Kennedy had agreed to call a non-partisan White House Conference on Campaign Finance to focus attention on the problems of financing presidential campaigns, and to signalize certain new approaches that would be made during 1964. Following President Kennedy's assassination, higher governmental policies and priorities occupied President Johnson, valuable time was lost, and no programs were carried on.

As noted, the Democrats were parsimonious regarding financial information—an attitude linked to the problem of providing by law for more effective disclosure and publicity of political contributions and expenditures. Along with voluntary divulging of certain financial information, as generously practiced by Republicans in 1964, goes the need for statutory requirements for mandatory reporting. The President's Commission recommended a comprehensive system of disclosure and publicity which President Kennedy proposed to the Congress. No hearings were held on the measure in either House, and action in this area will undoubtedly depend upon President Johnson's initiative.

The "credibility gap" often ascribed to aspects of the Johnson Administration's public information policy extended to the public information policy in the national Democratic Party. Traditionalists among

[4] Another group appointed by President Kennedy, the President's Commission on Registration and Voting Participation, went little further in the direction of state support. See *Report on Registration and Voting Participation* (Washington: Government Printing Office, November, 1963). Federal registration activities in the South under the Voting Rights Act of 1965 could be—but so far do not seem to be—an opening wedge in increasing and generalizing the role of government in registering voters.

Democratic managers overturned the policy of frankness regarding finances, practiced since 1952 at the DNC. During 1964, little information was made available beyond that required by federal law; none was provided comparable to that obtained from Republicans as shown throughout this study. Even in officially filed reports, there were apparent diversions, such as the listing of names of contributors by first initial only, not full name, and without street address, thus complicating problems of identifying contributors. Also, certain reports, such as those of the New York and California President's Clubs, were not filed in Washington, though both groups transferred large amounts to Washington committees for use in the presidential campaign; thus some members of a political club using the title of the President of the United States were not even listed in reports filed in Washington. Moreover, there were puzzling aspects of certain Democratic filings in 1965, as noted elsewhere in regard to the DNC and the President's Club for Johnson Committee.

These actions led to a climate that could hardly foster confidence in the law or in political finance management. The climate can only partially be improved by presidential legislative proposals. In recent years there have been a series of alleged violations of federal law: in complaints of government employees seeking contributions from other government employees in apparent violation of the Hatch Act;[5] in aspects of the Bobby Baker case, as brought out in Senate Rules Committee hearings and a grand jury indictment; in the trend to corporate advertising in party program books.[6] At one time or another during 1964 and 1965, complaints about current practices were received at the Internal Revenue Service, the Treasury Department, the Commerce Department, the Post Office Department, the General Services Administration, the Rural Electrification Administration, the Civil Service Commission, and the Justice Department.[7] The Federal Bureau of Investigation reportedly made some investigations but results have not been made public.

During 1964-65, major newspapers increasingly reported on financial aspects of politics. The Washington *Evening Star* assigned an investigative reporter, Walter Pincus, to cover exclusively money in politics. In the Fall of 1965, much critical attention was given in the press to

[5] The U.S. Senate voted without dissent to request the Attorney General to investigate such reported solicitations. *Congressional Record,* March 8, 1965, pp. 4222-3.

[6] See section on "Forms of Corporate Contributions," below, pp. 99-104.

[7] In the REA case, Attorney General Katzenbach ruled that criminal prosecution under the Corrupt Practices Act was not warranted; this case involved three REA officials accused of pressuring agency career employees to buy tickets to a Democratic Gala. The REA, the Civil Service Commission, and the Justice Department bounced this case back and forth many times without resolving it.

corporate advertising in program books and other practices, undoubtedly with salutory effects.

Before President Johnson spoke out on the subject, the Republican Coordinating Committee, in a task force paper entitled, "Toward Fair Elections in America," urged reasonable deduction from Federal income tax for contributions to parties and their nominees, the removal of limitations on committee, Senatorial and Congressional candidate expenditures, and changes in the regulation of political broadcasting.[8] The Republican leadership's answer to the 1966 State of the Union address again endorsed legislative attention to political finance. Thus, a year after 1964 experience, expressions of concern at the highest levels of leadership in both parties were made.

As the Great Society embarks upon a new program to regulate political finance, its direction, duration, effects and effectiveness remain to be seen, as does the response of the Congress.

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[8] See above, pp. 59-60. The task force report also recommended the strengthening of laws to prevent vote frauds, the creating of Federal and state Advisory Commissions on Voting and Elections to act as watchdog agencies over voting fraud cases, and the enactment of a law providing for the convening of a three-judge court to hear cases involving defeated candidates. Other recommendations less relevant to this study but dealing with the election process were also made.

APPENDICES

SOURCES AND LIMITATIONS OF DATA

Data on 1964 contributors of $500 or more used in the text and in Appendices A, B, C, D and E were derived from official campaign fund reports filed with the Clerk of the House of Representatives and the Secretary of the Senate. The data were collected by the Citizens' Research Foundation and later published in *Congressional Quarterly Special Report*, Part 1, supplementing *Weekly Report* No. 3, January 21, 1966. Contributions of individuals listed in Appendices A, B and C can be found for the most part itemized by amount and date to each committee donated to in *Congressional Quarterly*, pp. 79-149; 152-159; 168-185. In addition, the Citizens' Research Foundation collected lists of contributors supplied by numerous individuals and other sources cited above in note 27, p. 86. Thus a total of 10,000 individuals is contained in the master file of the Citizens' Research Foundation.

Appendices A, B, and C were compiled from this master file. It is not suggested that these lists are complete or that the amounts cited are the only contributions of those individuals concerned, and no impropriety on the part of any individual is implied or suggested. Names, addresses, and contributions of individuals were carefully checked before inclusion in the Appendices. But mistakes in transcription, incorrect spelling of names and addresses, faulty campaign fund reports and inconclusive identifications provide a large margin for error, and these would be responsible for any inaccuracies in this compilation.

APPENDIX A

CONTRIBUTORS OF $10,000 OR MORE, 1964

This Appendix lists those individuals who in 1964 contributed in the aggregate $10,000 or more. It also shows those individuals in the 1964 compilation who contributed $10,000 or more in 1952, 1956, and 1960. (1952 list from Gore Committee, *Hearings*, part 2, pp. 527-29; 1956 list from Gore Committee, *Report*, Exhibit 12, pp. 67-71, and Exhibit 26, pp. 2-192; 1960 list from Herbert E. Alexander, *Financing the 1960 Election*, Appendix A, pp. 95-103). Husbands and wives are counted as one. In some cases, an individual is shown to have contributed more than the legal limit of $5,000 to one Federal candidate of committee. It may be assumed in these cases that either the listing failed to include a spouse as a joint contributor (up to $10,000 legal limit), or amounts listed may have been transfers of funds from one committee to another, improperly attributed to the individual (who, for example, may have been the treasurer of the sending committee). Similarly, if loans or refunds were made and not noted as such, errors could result.

Contributions in 1960, 1956 and 1952 were made to the same party as in 1964 unless otherwise noted (R-Republican; D-Democratic; M-Miscellaneous). Totals refer to husband and wife contributions singly or jointly only with reference to 1964 data; in some cases, spouse combinations have varied through the years.

APPENDIX A
CONTRIBUTORS OF $10,000 OR MORE, 1964

Name and Address	1964 Total	1964 Contributions To: Democratic	Republican	Miscellaneous	1960 Total	1956 Total	1952 Total
Ackerman, L., II, Phoenix, Arizona	$11,000	$11,000					
Akers, Mr. and Mrs. Anthony B., New York, N.Y.	16,000	16,000					
Altschul, Mr. and Mrs. Frank, New York, N.Y.	27,000	26,000	$1,000				$14,058D 2,500R
Andreas, Dwayne, Excelsior, Minn.	10,000	10,000					
Andreas, Mr. and Mrs. Lowell, Mankato, Minn.	10,000	10,000					
Armstrong, Thomas P., Armstrong, Texas	11,000		11,000				
Ascoli, Mr. and Mrs. Max, New York, N.Y.	10,000	7,000	3,000				17,200D 500R
Autry, Gene, N. Hollywood, Calif.	20,000	20,000					
Beardsley, Walter R., Elkhart, Indiana	10,000		9,000	$1,000			
Benton, Mr. and Mrs. William H., New York, N.Y.	13,000	13,000				$23,657D 250M	15,033
Billings, Kirk LeMoyne, New York, N.Y.	10,000	10,000					
Blaustein, J., Baltimore, Md.	17,000	17,000				14,150	13,000
Blodgett, John W., Jr., Grand Rapids, Mich.	12,500		12,500			14,855	
Bruce Mrs. Ailsa, M., New York, N.Y.	15,000		15,000		$16,500	23,200	14,500
Butt, Mr. and Mrs. H. E., Corpus Christi, Texas	13,500	13,500					
Carpenter, William K., Fort Lauderdale, Fla.	12,000		12,000				
Christie, Mr. and Mrs. Lansdell K., New York, N.Y.	16,000	16,000				70,564D 2,600M	
Cordiner, Mr. and Mrs. Ralph J., New York, N.Y.	10,000		10,000				
Cowan, Mr and Mrs. Louis G., New York, N.Y.	21,000	21,000					
Currier, Mr. and Mrs. Stephen R., New York, N.Y.	28,646	17,500		11,146	23,400		
Dillon, Mr. and Mrs. C. Douglas, Far Hills, N.J.	42,000	42,000			26,550R	36,500R	23,000R
Donahue, Mrs. Marion M., Greenwich, Conn.	10,000	10,000					
duPont, Reynolds, Wilmington, Del.	11,500		11,000	500			
Egger, Mr. and Mrs. David, New Haven, Conn.	13,000	5,000		8,000			
Ellerbe, Thomas, St. Paul, Minn.	14,000	14,000					
Farrell, A. B., Albany, New York	12,500		12,500				
Field, Marshall, Chicago, Illinois	10,000	10,000					
Firestone, Roger S., Pottstown, Pa.	12,000		12,000		11,500	11,150	
Folger, Mr. and Mrs. J. Clifford, Washington, D.C.	12,000		12,000		13,600	11,500	
Ford, Henry, II, Dearborn, Michigan	44,100	40,000	4,100			18,899R	
Ford, J. J., Brookline, Massachusetts	10,000	10,000					
Frick, Miss Helen Clay, Pittsburgh, Pa.	19,570		18,570	1,000		26,300	20,000
Galvin, R. W., Franklin Park, Illinois	25,000		25,000				

APPENDIX A

CONTRIBUTORS OF $10,000 OR MORE, 1964

Name and Address	1964 Total	1964 Contributions To: Democratic	Republican	Miscellaneous	1960 Total	1956 Total	1952 Total
Gilbert, Milton A., New York, N.Y.	$10,000	$10,000					
Gould, Mr. and Mrs. Harry E., New York, N.Y.	17,000		$17,000				
Grant Mr. and Mrs. Arnold M., New York, N.Y.	31,000	31,000			$13,500		
Greenfield, Mr. and Mrs. Albert, Chestnut Hill, Pa.	19,750	19,750			13,000	$30,950	$26,000
Greenwall, Mr. and Mrs. F. K., New York, N.Y.	10,000		10,000				
Griggs Mr. and Mrs. M. L., St. Paul, Minn.	10,000		10,000				
Guest, Raymond R., King George, Va.	11,000	11,000					
Haggerty, Joseph J., Jr., New York, N.Y.	10,000	10,000					
Harriman, Mr. and Mrs. E. Roland, New York, N.Y.	28,000	3,000	25,000		22,750R	34,350	22,000
Harriman, Averell W., Washington, D.C.	10,000	10,000					14,500
Harrington, Mr. and Mrs. D. D., Amarillo, Texas	11,000		11,000				
Haussamen, Mrs. Carol, New York, N.Y.	13,000	13,000			14,100		
Heath, Mr. and Mrs. W. W., Austin, Texas	12,500	12,500					
Heineman, Ben, Chicago, Illinois	10,000	10,000					
Helis, William G., New Orleans, La.	10,000	10,000					
Helis, William G., Jr., New Orleans, La.	15,000	15,000					
Hochschild, Harold K., New York, N.Y.	29,000	26,000	3,000			26,000D	
Humphrey, Mr. and Mrs. George, Cleveland, Ohio	17,000		17,000				
Ireland, R. L., Cleveland, Ohio	10,000		10,000				
Kelly, Paul C., New York, N.Y.	11,000	11,000					
Killion, Mr. and Mrs. G., San Francisco, Cal.	12,000	12,000					
Kreeger, D., Washington, D.C.	10,000	10,000					
Lasker, Mrs. A. D., New York, N.Y.	22,500	22,500			19,300	64,400D 1,000R	21,000
Lehman, Mrs. Herbert H., New York, N.Y.	11,000	10,000		$1,000	2,100D 500M	19,000D 2,000M	12,250
Lehman, Mr. and Mrs. Orin, New York, N.Y.	11,500	11,500					
Lehman, Mr. and Mrs. Robert, New York, N.Y.	12,000	11,000	1,000		13,000R	14,000R	
Levien, Mr. and Mrs. F., New York, N.Y.	17,500	17,500					
Levy, Gustave, New York, N.Y.	12,000	7,000	5,000				
Linder, Mr. and Mrs. Harold F., Washington, D.C.	61,300	61,300			12,100D 500M		
Lindsey, Mr. and Mrs. Paul D., Dallas, Texas	10,000	10,000					
Loeb, Mr. and Mrs. John L., New York, N.Y.	19,500	13,500	$6,000			10,000R	
Luce, Mr. and Mrs. Henry R., New York, N.Y.	11,000		11,000		14,800R 500M	29,375	28,000R 500D

APPENDIX A
CONTRIBUTORS OF $10,000 OR MORE, 1964

Name and Address	1964 Total	1964 Contributions To: Democratic	Republican	Miscellaneous	1960 Total	1956 Total	1952 Total
Luckman, Mr. and Mrs. Charles, Los Angeles, Cal.	$16,250	$16,250					
Lull, Mr. and Mrs. R. M., Cincinnati, Ohio	11,020		11,020				
Lytton, Mr. and Mrs. Bart, Los Angeles, Cal.	16,000	16,000			$36,000		
Mann, Mr. and Mrs. Frederic R., Philadelphia, Pa.	27,500	27,500			10,000		
Mann, William H., New York, N.Y.	10,000	10,000					
May, Mrs. Herbert A. (Marjorie M. Post) Washington, D.C.	10,000	6,000	$4,000		24,200R		
Maytag, L. B., Colorado Springs, Colo.	12,000		12,000				
Maytag, Mr. and Mrs. L. B., Jr., Miami Florida and Colorado Springs, Colo.	19,000		19,000				
McCormick R., Chicago, Illinois	11,000		11,000				
McCune, Mr. and Mrs., M. L., Tesuque, New Mexico	37,498.97		37,498.97				
Mecom, John W., Houston, Texas	14,000	12,000	2,000				
Meehan, Mr. and Mrs. M. J., New York, N.Y.	11,000	11,000					
Mellon, Paul, Washington, D.C.	11,000		11,000		18,500	$29,000	$22,000
Mellon, Mr. and Mrs. Richard K., Pittsburgh, Pa.	23,500		23,500		20,000	33,000 ($1,000 refunded)	26,500
Meyer, Mr. and Mrs. Andre, New York, N.Y.	35,500	35,500					
Milbank, Mr. and Mrs. Jeremiah, New York, N.Y.	24,525		24,025	$500			12,000
Milbank, Mr. and Mrs. Jeremiah, Jr., New York, N.Y.	10,000		10,000				
Milliken, Roger, Spartanburg, S.C.	15,000		15,000				
Morrison, Dr. and Mrs. Thomas J., New York, N.Y.	29,000		29,000		15,000		
Mosler, John, New York, N.Y.	10,000	10,000					
Myrin, Mr. and Mrs. M. F., Philadelphia, Pa.	27,000		24,000	3,000	15,750	47,125	35,500
Newington, Dr. and Mrs. J. C., Greenwich, Conn.	48,000		48,000				
Newman, Howard A, New York, N.Y.	12,500	12,500					
Nippert, L., Cincinnati, Ohio	15,000		15,000				
Noe, James A., Monroe, La.	10,000	5,000	5,000				
Olin, John M., East Alton, Illinois	31,000		31,000		12,500	14,950	
Olin, Mr. and Mrs. Spencer T., Alton, Illinois	11,900		11,900		24,500	34,600	
Parten, Mr. and Mrs. J., Houston, Texas	13,000	13,000					
Payson, Mr. and Mrs. Charles S., New York, N.Y.	20,500		20,500		20,000	71,850	
Pew, Miss Mary Ethel, Philadelphia, Pa.	27,000		24,000	3,000	16,750	47,125	36,250
Pew, Mr. and Mrs. J. Howard, Philadelphia, Po.	32,000		29,000	3,000	16,750	51,125	38,250
Pratt, Mr. and Mrs. George D., Jr., Bridgewater, Conn.	22,800	7,300		15,500	17,500D 10,000M	30,700D	
Pratt, R. B., New York, N.Y.	10,000		10,000				
Pumphert, George, Dorchester, Mass.	10,000	10,000					

APPENDIX A
CONTRIBUTORS OF $10,000 OR MORE, 1964

Name and Address	1964 Total	1964 Contributions To: Democratic	Republican	Miscellaneous	1960 Total	1956 Total	1952 Total
Ransburg, Mr. and Mrs. Harold, Indianapolis, Ind.	$11,500		$10,500	$1,000			
Richmond, Frederick W., New York, N.Y.	21,000	$21,000					
Rockefeller, David, New York, N.Y.	12,500		12,500		$13,975	$22,000	$20,000
Rutherford, W. L., Peoria, Illinois	10,000		10,000				
Scaife, Mrs. Sarah Mellon, Pittsburgh, Pa.	29,000		29,000		15,500	29,500	22,500
Schiff, Mr. and Mrs. John M., New York, N.Y.	10,000		10,000		11,500	18,550	15,000
Simon, Mr. and Mrs. Norton, Fullerton, California	15,000	13,000	2,000		10,000		
Sloan, Alfred P., Jr., New York, N.Y.	10,000		10,000			21,000	25,000
Smith, Miss Julia, New York, N.Y.	10,000	10,000					
Smith S. E., New York, N.Y.	10,000	10,000					
Spiegel, Frederick W., Chicago, Illinois	30,000	30,000					
Spiegel, J., Chicago, Illinois	15,000	15,000					
Spiegel, Modie J., Chicago, Illinois	10,000	9,500	500				
Spiegel, John P., Cambridge, Mass.	15,000	15,000					
Stevens, Mr. and Mrs. Roger S., New York, N.Y.	18,000	18,000			20,000	15,000	13,000 ($2,000 loan)
Stevens, Mr. and Mrs. R. T., South Plainfield, N.J	10,000		10,000				
Strelsin, Mr and Mrs. A., New York, N.Y.	24,000	24,000				10,000R	
Symington, Mr. and Mrs. J. Fyfe, Jr., Lutherville, Maryland	10,500		10,500				
Taft, Mr. and Mrs. Hulbert, Jr., Cincinnati, Ohio	18,000		18,000				
Tierney, Laurence, Bluefield, W.Va.	10,000	10,000					
Towsley, Dr. and Mrs. H. A., Ann Arbor, Michigan	12,000		12,000				
Wallace, Mr. and Mrs. DeWitt, Mt. Kisco, N.Y.	10,000		8,250	1,750	12,500R 8,000M		
Walsh, Thomas, Scarsdale, N.Y.	10,000	10,000					
Wasserman, Lew, New York, N.Y. and also Beverly Hills & Universal City, Cal.	28,000	28,000					
Watson, Arthur K., Armonk, N.Y.	13,000	13,000					
Watson, Thomas J., Jr., Armonk, N.Y.	37,000	37,000			10,500	10,000R	
Whitney Mr. and Mrs. John H., New York, N.Y.	22,500		22,500		17,550	47,100	31,000
Winston, Mr. and Mrs. H., New York, N.Y.	10,000	10,000					
Wood, Robert E., Chicago, Illinois	12,045.26		10,500	1,545.26			
Woodward, S., Washington, D.C.	11,500	11,500					
Wyman, T. G., Washington, D.C.	17,000	17,000					
TOTAL	$2,161,905	$1,211,600	898,364	51,941			

APPENDIX B

INDIVIDUALS WHO CONTRIBUTED $500 AND OVER TO CANDIDATES AND COMMITTEES OF BOTH PARTIES, 1964

This Appendix lists those 80 individuals who contributed $500 or more to candidates and committees of both parties. In three cases, husbands made the contributions to one party and wives to the other, and these cases are noted accordingly.

Name and Address	*Total*	*Democratic*	*Republican*
Altschul, Mr. and Mrs. Frank, New York, N.Y.	$27,000	$26,000	$1,000
Ascoli, Mr. and Mrs. Max, New York, N.Y.	10,000	7,000	3,000
Avnet, Mr. and Mrs. Lester, New York, N.Y.	7,500	5,000	2,500
Bowden, Mr. Alfred T., New York, N.Y.[a]	5,000	3,000	2,000
Campbell, Mr. and Mrs. Douglass, New York, N.Y.	2,500	2,000	500
Cheatham, Mr. and Mrs. Owen, New York, N.Y.	6,000	5,000	1,000
Cisler, Mr. Walker L., Detroit, Michigan	1,500	—	500
Cisler, Mrs. Walker L., Detroit, Michigan	—	1,000	—
Cohn, Herman M., Rochester, N.Y.	1,000	500	500
Cortese, Ross, Seal Beach, California	2,500	500	2,000
Crown, Henry, Chicago, Illinois	1,500	500	1,000
Cullen, R. H., Houston, Texas	6,500	2,500	4,000
Dean, Arthur H., New York, N.Y.	2,500	2,000	500
Eaton, Mr. and Mrs. Cyrus S., Northfield, Ohio	3,500	1,500	2,000
Farkas, Mr. and Mrs. George, New York, N.Y.	8,000	5,000	3,000
Field, Mrs. Ruth, New York, N.Y.	6,000	5,000	1,000
Forbes, Douglass W., Dallas, Texas	2,500	1,000	1,500
Ford, Henry II, Dearborn, Michigan	44,100	40,000	4,100
Forgash, Morris, New York, N.Y.	3,500	2,000	1,500
Frost, Charles, New York, N.Y.	2,000	1,000	1,000
Garrett, George A., Washington, D.C.	3,012	1,000	—
Garrett, Mrs. George A., Washington, D.C.	—	—	2,012
Gerber, Dan, Freemont, Michigan	3,000	1,000	2,000
Gerrity, Edward J., New York, N.Y.	2,000	1,000	1,000
Goodstein, David B., New York, N.Y.	2,750	1,250	1,500
Gray, Elisha, Benton Harbor, Michigan[a]	2,500	1,500	1,000
Gutman, Monroe, New York, N.Y.	2,500	2,000	500
Hansberger, R. V., Boise, Idaho	1,500	1,000	500
Helmerich, Walt H., III, Tulsa, Oklahoma	1,000	500	500
Hochschild, Mr. and Mrs. Harold K., New York, N.Y.	29,000	26,000	3,000
Josey, J. S., Houston, Texas	3,500	3,000	500
Kaiser, Edgar F., Oakland, California	4,000	3,000	1,000
Kaiser, Mrs. Edgar F., Oakland, California	4,000	3,000	1,000
Katz, David W., New York, N.Y.	1,000	500	500
Kernan, Francis, New York, N.Y.	3,000	1,000	2,000
Klee, David, New York, N.Y.	1,500	1,000	500
Kluge, John W., New York, N.Y.	2,500	1,500	1,000
Kriendler, Maxwell A., New York, N.Y.	1,700	1,000	700
Lamont, Mr. and Mrs. Thomas S., New York, N.Y.	7,000	5,000	2,000
Lazarus, Ralph, New York, N.Y.	3,000	2,000	1,000

Name and Address	*Total*	*Democratic*	*Republican*
Lehman, Mrs. Arthur, New York, N.Y.	5,500	4,500	1,000
Lehman, Mr. and Mrs. Robert, New York, N.Y.	12,000	11,000	1,000
Levy, Mr. and Mrs. Gustave W., New York, N.Y.	12,000	7,000	5,000
Loeb, Mr. and Mrs. Carl M., Jr., Armonk, N.Y.	4,000	1,000	3,000
Loeb, Henry A., New York, N.Y.	7,500	6,000	1,500
Loeb, John L., New York, N.Y.	10,000	7,000	3,000
Loeb, Mrs. John L., New York, N.Y.	9,500	6,500	3,000
Loeb, Mr. and Mrs. John L., Jr., New York, N.Y.	9,500	3,000	6,500
Lovett, Robert A., New York, N.Y.	1,500	1,000	500
Lynch, John F., Houston, Texas[a]	2,000	1,000	1,000
May, Mrs. Herbert A., Washington, D.C.	10,000	6,000	4,000
Mecom, Mr. and Mrs. John W., Houston, Texas	14,000	12,000	2,000
Merrill, B., Phoenix, Arizona[a]	3,000	2,000	1,000
Michel, Mr. and Mrs. Clifford W., New York, N.Y.	3,000	2,000	1,000
Miller, J. I., Columbus, Indiana	2,000	1,000	1,000
Moore, George S., New York, N.Y.	3,500	500	3,000
Moore, John D. J., New York, N.Y.	1,500	500	1,000
Murchison, John D., Dallas, Texas	4,000	3,500	500
Murphy, C. H., Jr., El Dorado, Arkansas	8,000	6,000	2,000
Newton, Maurice, New York, N.Y.	4,500	4,000	500
Noe, James A., Monroe, La.[a]	10,000	5,000	5,000
Oettinger, Spencer D., New York, N.Y.	1,500	1,000	500
Peterson, Mr. and Mrs. Rudolph A., San Francisco, California[a]	5,500	3,000	2,500
Robison, James E., New York, N.Y.	1,500	1,000	500
Rose, David, New York, N.Y.	1,500	1,000	500
Russell, Lew, Jr., Oregon	1,500	1,000	500
Schaeffer, Rudolph J., Brooklyn, N.Y.	2,000	1,000	1,000
Shields, Richard, New York, N.Y.	4,000	—	3,000
Shields, Mrs. Richard, New York, N.Y.	—	1,000	—
Simon, Norton, Fullerton, California	8,000	7,000	1,000
Simon, Mrs. Norton, Fullerton, California	7,000	6,000	1,000
Solinsky, Robert S., Chicago, Illinois	5,500	500	5,000
Spiegel, Modie, J., Chicago, Illinois	10,000	9,500	500
Staub, Marshall G., New York, N.Y.	3,500	3,000	500
Straus, Ralph I., New York, N.Y.	4,000	3,500	500
Strong, Corrin J., Washington, D.C.[a]	7,500	3,000	4,500
Talley, Franz G., Scottsdale, Ariz.[a]	3,000	2,000	1,000
Terzick, Peter E., Washington, D.C.	1,500	1,000	500
Thayer, Robert H., Washington, D.C.	5,500	3,000	2,500
Thieriot, C. H., Locust Valley, N.Y.	1,000	500	500
Tillinghast, C., Jr., New York, N.Y.	1,500	1,000	500
Touhy, Walter J., Cleveland, Ohio	4,000	3,000	1,000
Warburg, Felix Paul, New York, N.Y.	3,000	1,000	2,000
Warburg, Frederic M., New York, N.Y.	2,000	1,000	1,000
Wardwell, Mr. and Mrs. E. R., New York, N.Y.	2,000	500	1,500
Weinberg, Mr. and Mrs. Sidney, New York, N.Y.	5,000	3,500	1,500
Woodfin, Gene M., New York, N.Y.	2,000	1,000	1,000

[a] Contributions were made to Democratic and Republican candidates or committees of the same level.

APPENDIX C

CONTRIBUTIONS AMONG SELECTED APPOINTEES TO THE JOHNSON ADMINISTRATION, 1964-65

This Appendix lists those 24 individuals who contributed $500 or more in 1964 and who were appointed to major offices in the Johnson Administration, 1964-65. The names are from a selected list of 187 top Johnson appointments listed in *Congressional Quarterly,* November 13, 1964; May 14, 1965; June 25, 1965; and September 24, 1965. Contributions of wives are noted by asterisks(*). It is not suggested that a contribution was a reason for any appointment.

Name	*Appointment*	*Contributions to Democratic Committees*
Abram, Morris B.	U.S. Representative, Human Rights Commission, United Nations Economic and Social Council	$1,000
Boutin, Bernard L.	Deputy Director, Office of Economic Opportunity	1,000
Bush, John W.	Commissioner, Interstate Commerce Commission	1,000
Celebrezze, Anthony J.	Judge, U.S. Circuit Court of Appeals	1,000
Clark, Edward	Ambassador to Australia	3,000
Connor, John T.	Secretary of Commerce	2,000
Corcoran, Howard F.	Judge, U.S. District Court	1,000
*Duke, Angier Biddle	Ambassador to Spain	5,640
Ellington, Buford	Director, Office of Emergency Planning	1,000
Feldman, George J.	Ambassador to Malta	5,000
Fortas, Abe	Associate Justice, U.S. Supreme Court	1,000
Fowler, Henry H.	Secretary of the Treasury	1,304
Guest, Raymond R.	Ambassador to Ireland	11,000
Harriman, W. Averell	Ambassador at Large, State Department	10,000
Hill, Irving	Judge, U.S. District Court	500
Leventhal, Harold	Judge, U.S. Circuit Court of Appeals	900
Marks, Leonard	Director, U.S. Information Agency	1,000
Paul, Norman S.	Under Secretary of Air Force	1,000
Roosevelt, Franklin, D., Jr.	Chairman, Equal Employment Opportunity Commission	1,000
*Shriver, R. Sargent	Director, Office of Economic Opportunity	2,500
*Stevens, Roger	Chairman, National Council on the Arts	18,000
Tannenwald, Theodore, Jr.	Judge, U.S. Tax Court	1,000
Trowbridge, Alexander B.	Assistant Secretary for Domestic and International Business	1,000
*Weisl, Edwin L., Jr.	Assistant Attorney General	2,500
	TOTAL	$74,344

* Signifies inclusion of wife's contributions.

APPENDIX D

COMPARISON OF CONTRIBUTIONS OF $500 OR MORE TO NATIONAL-LEVEL PRESIDENTIAL REPUBLICAN COMMITTEES, BY STATES, 1964 AND 1960

This Appendix seeks to measure Barry Goldwater's financial strength by state with that of Richard M. Nixon. For discussion in the text and a listing of committee contributions included, see above, pp. 74-75. Not included are contributions to Senatorial or Congressional or other non-presidential committees.

	Numbers of Contributions and Amount of Contributions			
State	*1964*		*1960*	
ALABAMA	11	$ 14,250	15	$ 18,000
ALASKA	1	500	6	5,000
ARIZONA	48	44,580	5	4,020
ARKANSAS	9	13,260	3	12,000
CALIFORNIA	173	160,228	188	215,737
COLORADO	31	48,375	9	7,000
CONNECTICUT	92	170,710	77	92,820
DELAWARE	36	50,210	80	115,200
DISTRICT OF COLUMBIA	48	53,957	91	117,830
FLORIDA	90	91,515	66	71,560
GEORGIA	18	27,210	10	11,020
HAWAII	9	5,850	28	22,827
IDAHO	19	15,500	2	4,000
ILLINOIS	210	243,052	200	255,234
INDIANA	61	51,695	17	24,750
IOWA	17	10,539	20	16,320
KANSAS	35	46,807	10	6,000
KENTUCKY	5	5,500	11	10,000
LOUISIANA	34	38,185	9	11,500
MAINE	5	6,250	1	2,500
MARYLAND	86	77,450	30	29,120
MASSACHUSETTS	78	69,674	69	78,471
MICHIGAN	76	83,285	118	163,045
MINNESOTA	30	41,525	49	61,450
MISSISSIPPI	4	3,500	3	2,000
MISSOURI	49	60,023	26	20,705
MONTANA	8	10,100	4	2,000
NEBRASKA	7	4,530	14	13,500
NEVADA	5	6,000	4	2,000
NEW HAMPSHIRE	6	4,000	5	3,520
NEW JERSEY	64	75,370	43	51,025
NEW MEXICO	22	41,008	7	6,000
NEW YORK	276	393,533	729	895,695
NORTH CAROLINA	35	29,354	51	37,200
NORTH DAKOTA	2	6,001	1	520
OHIO	215	298,540	123	142,770
OKLAHOMA	43	48,846	22	21,700

State	Numbers of Contributions and Amount of Contributions 1964		1960	
OREGON	20	26,510	4	3,500
PENNSYLVANIA	176	244,440	172	242,435
RHODE ISLAND	18	30,830	18	27,750
SOUTH CAROLINA	8	14,000	9	7,000
SOUTH DAKOTA	3	1,673	1	500
TENNESSEE	23	17,105	15	17,770
TEXAS	155	187,759	98	107,400
UTAH	3	2,000	1	500
VERMONT	5	7,025	1	1,000
VIRGINIA	46	49,560	35	35,650
WASHINGTON	54	114,620	28	26,000
WEST VIRGINIA	8	9,500	4	2,000
WISCONSIN	65	57,025	39	30,500
WYOMING	4	4,000	—	—
TOTAL	2,546	$3,117,000	2,571	$3,056,000

APPENDIX E

DISTRIBUTION OF MEMBERSHIP OF PRESIDENT'S CLUB, BY STATE, 1964

This Appendix shows approximate distribution of membership, by state, combining state President's Club memberships where separate, and contributions of $1,000 or more by state residents to national-level, non-Congressional Democratic committees. Some duplication may have resulted if an individual contributed to both a state Club and to committees at the national level.

State	*Number of Contributors of $1,000 or over*[a]	*State*	*Number of Contributors of $1,000 or over*[a]
Alabama	93	Nevada	7
Alaska	2	New Hampshire	9
Arizona	22	New Mexico	3
Arkansas	8	New York[b]	1,031
California[b]	532	North Carolina	19
Colorado	34	North Dakota	—
Connecticut	23	Ohio	120
Delaware	18	Oklahoma	18
Florida	135	Oregon	7
Georgia	23	Pennsylvania	65
Hawaii	—	Rhode Island	4
Idaho	4	South Carolina	20
Illinois	173	South Dakota	—
Indiana	5	Tennessee	20
Iowa	2	Texas	400
Kansas	8	Utah	1
Kentucky	11	Vermont	1
Louisiana	26	Virginia	98
Maine	—	Washington	40
Maryland	77	West Virginia	6
Massachusetts	57	Wisconsin	20
Michigan	28	Wyoming	—
Minnesota[b]	190	District of Columbia	294
Mississippi	21	Puerto Rico	9
Missouri	41	Virgin Islands	4
Montana	7	Canal Zone	—
Nebraska	9	Guam	3
New Jersey	49	TOTAL	3,801

[a] Husbands and wives counted separately where $2,000 or more was donated.

[b] Figures combined for state President's Club memberships and contributions of $1,000 or more by state residents to national-level Democratic committees campaigning for President Johnson. Not included are contributions to Senatorial or Congressional or other non-presidential committees.

JUL 20 '68

Date Due

Due	Returned	Due	Returned
MAY 29 '68 RE	MAY 24 68 RE		
DEC 3- '68 RE	[illegible]		
MAR 12 '69 RE			
	MAR 11 '69 RE		
JUL 28 '69 RE	JUL 17 '69 RE		
DEC 9 '69 RE	DEC 3 1969		

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